Foreign
Broadcast
Information
Service
50
ANNIVERSARY
1941 - 1991

Daily Report

East Asia

FBIS-EAS-91-220
Thursday
14 November 1991

Daily Report
East Asia

FBIS-EAS-91-220 CONTENTS *14 November 1991*

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTERNATIONAL AFFAIRS

- APEC Ministerial Meeting Continues Discussions *[KYODO]* ... 1
  - Singapore Urges 'Common Ground' *[Singapore THE STRAITS TIMES 14 Nov]* ... 1
  - 'Seoul Declaration' Adopted *[YONHAP]* ... 2
  - 'Joint Statement' Issued *[YONHAP]* ... 4
  - Declaration on Uruguay Round *[YONHAP]* ... 7
  - Qian Qichen News Conference *[Seoul TV]* ... 7
  - Meeting Ends, Delegates Depart *[YONHAP]* ... 8

NORTHEAST ASIA

Japan

- Chief Cabinet Secretary on Bush's Asia Speech *[KYODO]* ... 9
- Ministry 'Unaware' of Military Exports to Burma *[KYODO]* ... 9
- Highest-Level Talks Held With Taiwan Since 1972 *[KYODO]* ... 9
- Concern Expressed Over East Timor Shootings *[KYODO]* ... 9
  - Cabinet Secretary Regrets Deaths *[KYODO]* ... 9
- Farm Ministry Warns Against Easing Rice Stance *[KYODO]* ... 10
- Farm Union Emergency Meeting Opposes Concessions *[KYODO]* ... 10
- Bank of Japan Cuts Discount Rate 0.5 Percent *[KYODO]* ... 10
- Miyazawa Meets Lower House Budget Committee ... 11
  - Says Rate Cut 'Opportune' *[KYODO]* ... 11
  - Comments on Recruit, UN *[KYODO]* ... 12
- Finance Minister Says Rate Cut Promotes Growth *[KYODO]* ... 12
- Bank Governor Comments on Discount Rate Cut ... 12
  - Hopes Economy Sustains Growth *[KYODO]* ... 12
  - Notes Reasons for Change *[KYODO]* ... 13
  - Decision Reflects 'Economic Reality' *[KYODO]* ... 13
- Business Leaders Say Rate Cut 'Adequate' *[KYODO]* ... 14
- Industry 'Generally' Welcomes Official Rate Cut *[KYODO]* ... 14
- Ministries Agree To Cut Deposits, Savings Rates *[KYODO]* ... 14
- Government Rules Out Deficit-Financing Bonds *[KYODO]* ... 15
- Trade Industry Asks Groups To Expand Imports *[KYODO]* ... 15
- Steel Output Drops in Oct for Third Month *[KYODO]* ... 15
- Matsushita Agrees To Pay Yen Tax to U.S. *[KYODO]* ... 16
- Hitachi Opens Two Factories in Malaysia *[KYODO]* ... 16
- Synchotron Orbital Radiation Facility Launched *[KYODO]* ... 16
- Tokyo Business Group Appoints Female Executives *[KYODO]* ... 17

North Korea

- Kim Il-song Receives Rwandan Delegation *[KCNA]* ... 17
- Kim Il-song Sends Greetings to Sihanouk *[KCNA]* ... 17
- Paper Criticizes U.S. 'Nuclear Hide-and-Seek' *[KCNA]* ... 17
- Paper Criticizes Israeli Settlements in Golan *[KCNA]* ... 18
- PRC Official Addresses Reception in Beijing *[Pyongyang Radio]* ... 18
- Political Bureau Member Meets PRC Delegation *[KCNA]* ... 19
- Students Denounce Campus Suppression in South ... 19
  - Criticize 'Fascist' Behavior *[KCNA]* ... 19
  - Urge Government Action *[KCNA]* ... 20

KCNA Reviews 11 Nov NODONG SINMUN 20
KCNA Reviews 12 Nov Pyongyang Press 21
Radio Views Issue of Peace on Korean Peninsula *[Pyongyang Radio]* 21

South Korea

No Tae-u Holds Talks With U.S. Secretary Baker *[YONHAP]* 23
Cabinet Approves Host Nation Support Accord *[YONHAP]* 24
Dailies View President No's Nuclear Policy *[TONG-A ILBO 8 Nov, etc]* 24
PRC's Qian Qichen Meets Officials, Businessmen 26
    Meets Foreign Minister Yi Sang-ok *[Seoul Radio]* 26
    Supports No Tae-u Declaration *[YONHAP]* 26
    'Passive' to Baker '2 + 4 Plan' *[YONHAP]* 26
    Denies Secret Trip to DPRK *[Seoul Radio]* 27
    Meets Party Leader, Supports S-N Contact *[YONHAP]* 27
    Meets Samsung Chairman *[THE KOREA TIMES 14 Nov]* 28
    Meets Business Leaders *[YONHAP]* 28
Minister Expects World Pressure on North *[YONHAP]* 28
Seoul To Propose Economic Zone at N-S Talks *[HANGUK ILBO 5 Nov]* 28
Japan To Increase Cooperation at GATT Talks *[KYODO]* 29
Ban on Contacts With South Africa Partly Lifted *[YONHAP]* 29
Government Said Withholding Data on North Blast *[CHUNGANG ILBO 13 Nov]* 29
North's Development Projects Discussed *[TONG-A ILBO 2 Nov]* 30
ROK To Join Asia-Pacific Consultative Group *[YONHAP]* 31
ROK Elected to International Maritime Body *[YONHAP]* 31
* Changes Proposed to South Korean Military 31
    * Defense Budget Cut Urged *[HANGYORE SINMUN 16 Aug]* 31
    * Major Structural Reform Considered *[CHOSON ILBO 19 Aug]* 32
Nuclear Power Unit Halts Operations *[THE KOREA TIMES 12 Nov]* 33

SOUTHEAST ASIA

Burma

PRC Aerospace Minister, Delegation Visit *[Rangoon Radio]* 34
PRC Defense Services Delegation Arrives 13 Nov *[Rangoon Radio]* 34

Brunei, Malaysia & Singapore

Malaysia

Minister Says Soviets Offer Arms Deal Package *[Kuala Lumpur Radio]* 34
Defense Minister on Aerospace, Maritime Exhibit *[NEW STRAITS TIMES 12 Nov]* 35
Bilateral Payment Arrangement With Peruvian Bank *[Kuala Lumpur Radio]* 35

Singapore

Deputy Premier, Australia's Evans Hold Talks *[THE STRAITS TIMES 13 Nov]* 35
Peruvian President on Diplomatic Ties, Economy *[Lima Radio]* 36

Cambodia

Sihanouk Leaves Beijing To Return to Country 37
    Says 'Happy' for Opportunity *[SPK]* 37
    Arrives in Phnom Penh 14 Nov *[SPK]* 38
    Radio Lists Welcoming Officials *[Phnom Penh Radio]* 38
    VOK Reports Arrival 38
    PRACHEACHON Welcomes Sihanouk *[Phnom Penh Radio]* 39
    Radio Urges Others To Return *[Phnom Penh Radio]* 39
Spokesman Alleges Violations by Opposition Groups *[Phnom Penh Radio]* 40
Deputy Interior Minister on Peace Accord, Tasks *[Phnom Penh Radio]* 41

Difficulty Seen in Ensuring Khmer Rouge Safety *[Bangkok THE NATION 14 Nov]* 42
CIDSE Concerned About Khmer Rouge Inclusion *[SPK]* 42
Defense Ministry Discusses UNAMIC Arrival *[Phnom Penh Radio]* 43
UNAMIC French Commander Comments on Arrival *[Bangkok THE NATION 14 Nov]* 43
French Mine Clearing Personnel Arrive 12 Nov *[Phnom Penh Radio]* 44
PRC Expresses Thanks for Condition of Embassy *[SPK]* 44

Indonesia

Further on East Timor Shootings, Reaction 44
  Governor Demands Explanation *[Lisbon Radio]* 44
  Separatists Vow Revenge *[AFP]* 44
  ABRI Discredits Journalist *[ANTARA]* 45
  Arrests Include Separatists *[AFP]* 45
  Student Says 'Terror' Intensifies *[Lisbon Radio]* 46
  Rights Group Confirms Army Actions *[AFP]* 46
  Catholic Bishop Shelters 257 *[AFP]* 46
  Australian Aid Worker in 'Shock' *[AFP]* 47
Alatas Describes Consuls' 'Heavy' Tasks *[ANTARA]* 47
Alatas Hopes Madrid Conference Creates Momentum *[ANTARA]* 48
Shipyard Welcomes Repair of U.S. Navy Ships *[AFP]* 48
Minister Urges Discussion on New Oil Quota *[ANTARA]* 48
Suharto To Visit Mexico in 'Near Future' *[ANTARA]* 49
Police Chief Sentenced for Assisting Aceh Rebels *[Jakarta Radio]* 49

Laos

Ministry Welcomes U.S. Decision To Upgrade Ties *[Vientiane Radio]* 49
Monthly Meeting Held With Thai Military *[Vientiane Radio]* 49
Information Delegation Concludes SRV Visit *[Vientiane Radio]* 49
Asian Development Bank Opens Loans Seminar *[KPL]* 49
Seminar on Road Building With Sweden Ends *[KPL]* 50

Philippines

Aquino Agrees to Saudi Meeting on Moro Rebels *[MALAYA 4 Nov]* 50
Five Senators To Join Ruling Coalition *[Manila Radio]* 50
Laurel Faction Expels Enrile, Cojuangco *[Manila Radio]* 51
Cojuangco Faction Confirms Presidential Ambitions *[Manila Radio]* 51
Marcos Jr Discusses Political Plans, Family *[Quezon City TV]* 51
Comparison of Abadia 5 Nov News Conference *[Quezon City Radio]* 54
Paper Reveals Results of Hong Kong Peace Talks *[PHILIPPINES NEWSDAY 14 Nov]* 57

Thailand

Anan Sends Support Letter to Sihanouk on Return *[BANGKOK POST 14 Nov]* 59
General Supports Ban on Corrupt Politicians *[THE NATION 14 Nov]* 59
Political Parties Criticize Draft Constitution *[THE NATION 13 Nov]* 59
Peacekeeping Council Figures Oppose Provision *[BANGKOK POST 13 Nov]* 60
Army, Air Force Chiefs on Draft Constitution *[BANGKOK POST 14 Nov]* 61
Draft Constitution Committee Shows Inconsistentcy *[THE NATION 13 Nov]* 62
Transport Ministry Criticizes Airline 'Laxity' *[THE NATION 9 Nov]* 63
National Carrier Defends Domestic Operations *[THE NATION 9 Nov]* 63

Vietnam

Phan Van Khai Receives Libyan Delegation 9 Nov *[Hanoi TV]* 64
Norway Grants $70,000 in Disaster Relief Aid *[VNA]* 65
Phan Van Khai Meets Indonesian Forestry Official *[Hanoi Radio]* 65
Australia To Donate Radio Broadcasting Equipment *[Hanoi Radio]* 65
Radio Notes 'Bright Future' From PRC Visit *[Hanoi International]* 65

Lang Son Restores Railroad Bordering China *[Hanoi Radio]* 66
Japanese Company at Economic Development Seminar *[VNA]* 66
Six More Joint-Investment Projects Licensed *[VNA]* 66
VNA Reports Contracts at Hong Kong Exhibition 67
Indian Envoy Presents Gift to Charity Group *[VNA]* 67
Congratulations Sent to New Bulgarian Premier *[VNA]* 67
New Ambassador to Bulgaria Presents Credentials *[VNA]* 67
Finnish Ambassador Presents Credentials 5 Nov *[Hanoi International]* 67
Regulations on Protecting State Secrets Publicized *[Hanoi TV]* 67
Government To Suspend Merchandise Imports *[AFP]* 68
Industry Ministry Seeks Infrastructure Investment *[Bangkok THE NATION 11 Nov]* 68
Council Issues Car Insurance Policy Directive *[Hanoi Radio]* 69
Sea Product Corporation Sets Up Stock Company *[VNA]* 69
Cao Bang Border Trade Activities Increase *[Hanoi Radio]* 70
Thai Binh Relocates Familes to Economic Zones *[Hanoi Radio]* 70
Le Quang Dao Visits New Ha Tay Province *[Hanoi Radio]* 70
Le Kha Phieu Visits War Veteran's Association *[Hanoi Radio]* 70
Ho Chi Minh Mausoleum Party Congress Reviewed *[Hanoi Radio]* 71
Literature, Art Journal Releases First Issue *[Hanoi Radio]* 72
VNA Reviews Hanoi Newspapers for 13 Nov 72
VNA Reviews Hanoi Newspapers for 14 Nov 72

AUSTRALASIA

Australia

Senate Condemns Shootings in East Timor *[Melbourne International]* 73
State Pressured To Cut Jakarta Military Ties *[AFP]* 73
ABC To Help Vietnam, Cambodia Set Up Radios *[AFP]* 74

New Caledonia

Opposition Party Sets Political Deadline *[AFP]* 74

New Zealand

New Zealand Journalist Said Shot in Indonesia 75
    Premier Cites 'Conflicting' Reports *[AFP]* 75
    Confirms Journalist Killed *[AFP]* 75

Vanuatu

Lini Intends To Regain Power With New Party *[AFP]* 75

APEC Ministerial Meeting Continues Discussions

OW1311134391 Tokyo KYODO in English 1319 GMT 13 Nov 91

["APEC Members To Give Ground for Success of GATT Talks"; by Waka Hamada]

[Text] Seoul, Nov. 13 KYODO—Trade and foreign ministers from 15 Asia-Pacific countries agreed Wednesday that each has to give ground to quickly bring success to the crucial global free-trade talks, Japanese Government officials said.

Cautious optimism about the Uruguay round of multilateral trade talks marked the opening day of the third annual ministerial meeting of the Asia Pacific Economic Cooperation (APEC) nations, gathered here for two days of formal discussions.

The coming four or five weeks will be a "make-or-break point" for the five-year-old round, held under the auspices of the General Agreement on Tariffs and Trade (GATT), an Australian delegate was quoted as saying.

Japanese Minister of International Trade and Industry Kozo Watanabe said, "a stronger framework for free world trade is imperative at this moment when dramatic changes are sweeping the region."

"In order for the round to be successful, Japan is ready to participate in the negotiations with all possible flexibility," he said.

The Seoul gathering of the two-year economic forum comes at a time when the global negotiations aimed at reshaping world commerce for the next century have finally been showing signs of a breakthrough.

U.S. President George Bush, in his meeting last week with the President of the European Community (EC) in The Hague, reduced the ambitious targets of the U.S. on the politically charged issue of farm subsidies.

While applauding The Hague accord, which helped unblock the stalled round, a New Zealand representative was quoted as saying that his country will immediately support the draft texts of the agreements, to be released by the end of the month by GATT chief Arthur Dunkel.

Other participants also showed their readiness to accept the drafts, the officials said.

Some members, like Canada and Indonesia, proposed issuing a separate communique on the round in addition to a routine joint statement to provide further impetus to the talks.

Wednesday's discussions, however, failed to reach a consensus on the proposal, though the government officials said the proposed communique is likely to be drawn up by Thursday.

Developing countries of the 15-member forum, while giving uniform backing to the GATT process, called on developed countries to pay more attention to their interests.

Indonesia cited textiles, antidumping, and services as areas which it said should reflect more the needs of developing nations.

China, which has just joined the group together with Taiwan and Hong Kong, also called for due consideration from industrial nations of the wide gap in phases of development among members.

On liberalization of intraregional trade, another topic for the first day of the conference, Japanese Foreign Minister Michio Watanabe said any economic zone should be consistent with the free- trade spirit championed by GATT.

He warned against a possible drift of the scheme to an inward-looking regionalism.

Australia proposed a "wise men's group," aimed at studying the medium to long-term economic outlook for the region, which accounts for half of all global output and more than one-third of all trade.

The proposal, however, went no further at the meeting, partly because of a negative stance taken by the Association of Southeast Asian Nations (ASEAN).

Singapore Urges 'Common Ground'

BK1411081791 Singapore THE STRAITS TIMES in English 14 Nov 91 p 1

[By Kwan Weng Kin in Seoul]

[Excerpt] Seoul—APEC [Asia-Pacific Economic Cooperation] ministers meeting here yesterday reaffirmed their strong political commitment to help the Uruguay Round succeed, raising hopes of a breakthrough in the global trade talks in Geneva.

The talks have been bogged down by agricultural issues, including farm subsidies and rice.

Economic and Foreign Ministers gathered here for the third annual meeting of the Asia-Pacific Economic Cooperation (APEC) forum agreed to issue a statement today that officials said would express their political determination to bring about a "substantial and balanced" result to the multilateral trade talks.

"The ministers agreed that the Uruguay Round had reached a crucial stage and shared the view that all governments concerned should participate in the negotiations with political will and flexibility so that they can end successfully to the satisfaction of everyone," said Mr. Yi Si-Yong, a senior official of the South Korean Foreign Ministry.

"In particular, they urged the importance of political will in dealing with difficult aspects of the Round," added Mr Yi, an assitant minister in charge of policy planning at the ministry.

Earlier yesterday, addressing the APEC conference, Singapore's deputy prime minsiter, Lee Hsien Loong urged Asia-pacific countries to find "common ground" in order to break the continuing deadlock in the GATT negotiations.

"We need both to give the discussions a push foward and to promote an outcome which will take our collective concerns into account," said BG [Brigadier General] Lee, who is also Minister for Trade and Industry.

He addressed the gathering right after South Korea Foreign Minister Yi Sang-Ok opened the meeting here yesterday, as Singapore had hosted the previous ministerial conference last year.

BG Lee cited examples of APEC meembers which, he said, had in the last year helped to further the GATT talks.

For example, Singapore, Japan, and Australia have followed the U.S. lead by tabling "substantive offers" in services at the Geneva talks.

According to Singapore spokesman Lai Seck Khui, Singapore's offers cover a wide range of professional services, including telecommunications and banking.

BG Lee also pointed out that Indonesia, Malaysia and Thailand had cut tariffs for a wide range of products.

In his speech, he said that the rising trend towards economic regionalism in Europe and America demonstrated the need for Asia-Pacific economies to remain competitive in order to attract investments to this region.

Just like APEC, neither the European Community after 1992 or the North American Free Trade Association were likely to develop into regional trading blocs, he said.

"But their success as free trade areas will make them more attractive investment destinations and more formidable competitors," he added.

He told the APEC meeting that ASEAN had decided to build up gradually a free trade areas over a 15-year period. "The Asean Free Trade Area will not only enhance intra-ASEAN economic cooperation, but also contribute towards stronger trade linkages with our major trading partners.

He welcomed the inclusion of China, Hongkong, and Taiwan—known as Chinese Taipei during the APEC talks—saying that their participation would make the regional grouping "a more complete and effective organisation".

He also stressed the importance of going ahead with the 10 work projects adopted by APEC, including three new ones on tourism, transportation and fisheries.

Singapore spokesman Lai, who is deputy secretary in the Ministry of Trade and Industry, told journalists that yesterday's plenary session aroused "a new sense of optimism" with regard to the GATT talks, although difficulties still remained. [passage omitted]

'Seoul Declaration' Adopted

SK1411064291 Seoul YONHAP in English 0440 GMT 14 Nov 91

[Text] Seoul, Nov. 14 (YONHAP)—Following is the full text of the Seoul declaration adopted by the third ministerial meeting of the Asia-Pacific Economic Cooperation (APEC) on Thursday:

Representatives of Australia, Brunei Darussalam, Canada, the People's Republic of China, Hong Kong, Indonesia, Japan, the Republic of Korea, Malaysia, New Zealand, the Philippines, Singapore, Chinese Taipei, Thailand and the United States of America, meeting in Seoul from 12 to 14 November 1991 at ministerial level,

Recognising that the dynamic growth of economies of the Asia-Pacific region has brought with it growing economic interdependence and strong common interests in maintaining the region's economic dynamism:

Conscious of the vital interests shared by the Asia-Pacific economies in the expansion of free trade and investment, both at the regional and global level, and of the dangers inherent in protectionism:

Recognising that the healthy and balanced development of economic interdependence within the Asia-Pacific region based upon openness and a spirit of partnership is essential for the prosperity, stability and progress of the entire region:

Convinced that closer cooperation is needed to utilize more effectively human and natural resources of the Asia-Pacific region so as to attain sustainable growth of its economies while reducing economic disparities among them and improve the economic and social well-being of its peoples:

Recalling the productive outcome of their two previous meetings held in Canberra, 5-7 November 1989 and in Singapore, 29-31 July 1990, the basic principles for Asia-Pacific Economic Cooperation which emerged therefrom, and the process of consultations and cooperation evolving among the participating Asia-Pacific economies:

Acknowledging the important contribution made by the Association of South East Asian Nations (ASEAN) and the pioneer role played by the Pacific Economic Cooperation Conference (PECC) in fostering closer regional links and dialogue:

Recognising the important role played by the GATT in fostering a healthy and open multilateral trading system, in reducing barriers to trade and in eliminating discriminatory treatment in international commerce:

Believing that Asia Pacific economic cooperation should serve as an exemplary model of open regional cooperation:

Do hereby declare as follows:

Objectives

1. The objectives of Asia-Pacific Economic Cooperation (hereinafter referred to as APEC) will be:

(A) To sustain the growth and development of the region for the common good of its peoples and, in this way, to contribute to the growth and development of the world economy:

(B) To enhance the positive gains, both for the region and the world economy, resulting from increasing economic interdependence, including by encouraging the flow of goods, services, capital and technology:

(C) To develop and strengthen the open multilateral trading system in the interest of Asia-Pacific and all other economies:

(D) To reduce barriers to trade in goods and services and investment among participants in a manner consistent with GATT principles, where applicable, and without detriment to other economies.

Scope of Activity

2. APEC will focus on those economic areas where there is scope to advance common interests and achieve mutual benefits, including through:

(A) Exchange of information and consultation on policies and development relevant to the common efforts of APEC economies to sustain growth, promote adjustment and reduce economic disparities:

(B) Development of strategies to reduce impediments to the flow of goods and services and investment worldwide and within the region:

(C) Promotion of regional trade, investment, financial resource flows, human resources development, technology transfer, industrial cooperation and infrastructure development:

(D) Cooperation in specific sectors such as energy, environment, fisheries, tourism, transportation and telecommunications.

3. In each of these fields, APEC will seek:

(A) To improve the identification and definition of the region's common interests and, where appropriate, to project these interests in multilateral forums such as the GATT:

(B) To improve the understanding of the policy concerns, interests and experiences of economic partners, particularly of their international implications, and to help promote consistency in policy-making in appropriate areas:

(C) To develop practical programs of economic cooperation to contribute to economic dynamism and improved living standards throughout the region:

(D) To enhance and promote the role of the private sector and the application of free market principles in maximizing the benefits of regional cooperation.

Mode of Operation

4. Cooperation will be based on:

(A) The principle of mutual benefit, taking into account the differences in the stages of economic development and in the socio-political systems, and giving due consideration to the needs of developing economies: and

(B) A commitment to open dialogue and consensus-building, with equal respect for the views of all participants.

5. APEC will operate through a process of consultation and exchange of views among high-level representatives of APEC economies, drawing upon research, analysis and policy ideas contributed by participating economies and other relevant organisations including the ASEAN and the South Pacific Forum (SPF) secretariats and the PECC.

6. Recognising the important contribution of the private sector to the dynamism of APEC economies, APEC welcomes and encourages active private sector participation in appropriate APEC activities.

Participation

7. Participation in APEC will be open, in principle, to those economies in the Asia-Pacific region which:

(A) Have strong economic linkages in the Asia-Pacific region: and

(B) Accept the objectives and principles of APEC as embodied in this declaration.

8. Decisions regarding future participation in APEC will be made on the basis of a consensus of all existing participants.

9. Non-participant economies or organisations may be invited to the meetings of APEC upon such terms and conditions as may be determined by all existing participants.

Organisation

10. A ministerial meeting of APEC participants will be held annually to determine the direction and nature of APEC activities within the framework of this declaration

and decide on arrangements for implementation. Participants who wish to host ministerial meetings will have the opportunity to do so, with the host in each case providing the chairman of the meeting.

11. Additional ministerial meetings may be convened as necessary to deal with specific issues of common interest.

12. Responsibility for developing the APEC process in accord with the decisions of the ministerial meetings and the work program determined at those meetings will lie with a senior officials' meeting of representatives from each participant. The senior officials' meeting will be chaired by a representative of the host of the subsequent annual ministerial meeting, and will make necessary preparations for that meeting.

13. Each project on the work program will be pursued by a working group composed of representatives from participants, coordinated by one or more participants. The working groups will identify specific areas of cooperation and policy options relating to each project.

The Future of APEC

14. Recognising the ongoing and dynamic nature of the APEC process, APEC will retain the flexibility to evolve in line with the changes in regional economic circumstances and the global economic environment and in response to the economic policy challenges facing the Asia-Pacific region.

'Joint Statement' Issued

SK1411090791 Seoul YONHAP in English 0818 GMT 14 Nov 91

[Text] Seoul, Nov. 14 (YONHAP) - Following is the text of the joint statement issued by the Asia-Pacific Economic Cooperation [APEC] ministerial meeting that closed in Seoul Thursday.

1. Ministers from Australia, Brunei Darussalam, Canada, People's Republic of China, Hong Kong, Indonesia, Japan, Republic of Korea, Malaysia, New Zealand, the Philippines, Singapore, Chinese Taipei, Thailand, and the United States met in Seoul from 12-14 November 1991 to continue their discussion on the process of Asia-Pacific Economic Cooperation (APEC). The ASEAN Secretariat, the Pacific Economic Cooperation Conference (PECC) and the South Pacific Forum (SPF) were present as observers. A complete list of ministers and observers in attendance at the meeting is attached (Annex A).

2. The meeting was co-chaired by Mr. Yi Sang-ok, minister of foreign affairs, and Dr. Yi Pong-so, minister of trade and industry, of the Republic of Korea.

3. Ministers thanked H. E. No Tae-u, president of the Republic of Korea, for his keynote address in which he emphasised that:

APEC, whose fifteen economies are producing one half of the global output, has reached a stage where an institutional base should be established in order to represent the common economic interests of the region and to promote intra-regional trade and economic cooperation:

APEC should set an example of open regionalism under the principles of free trade, thereby complementing and strengthening the multilateral free trade system: and

APEC, as a region-wide framework for cooperation, should lay a central role in promoting a harmonious and balanced development of the trans-Pacific relations by embracing sub-regional economic groups within the Asia-Pacific region.

4. Following the agreement at the Singapore ministerial meeting, the Republic of Korea, in its capacity as chair of APEC, conducted consultations with the People's Republic of China, Hong Kong and Chinese Taipei, and reached an agreement enabling them to participate in APEC at the same time. Ministers approved the recommendation of senior officials that the three be invited to participate in the third ministerial meeting.

5. Ministers welcomed the participation in APEC of the People's Republic of China, Hong Kong and Chinese Taipei and reaffirmed that the participation of these three important economies would greatly contribute to the process of economic cooperation in the region.

6. Ministers held discussions on a range of topics, including:
a. Consolidation of APEC's principles and objectives
b. Regional economic trends and issues
c. Uruguay round and trade liberalisation in the region
d. APEC work program
e. Future steps for APEC

APEC's Principles and Objectives: Seoul APEC Declaration

7. Ministers noted with satisfaction the development of APEC to date as a region-wide framework for cooperation and agreed that the process had reached a stage where a firm foundation for its future development should be established. They adopted the Seoul APEC declaration (Annex B).

8. Ministers agreed that the declaration is a significant step forward for the development of the APEC process. The declaration represents the principles, objectives and understandings of APEC: endows APEC with a clear international personality: and provides a firm foundation on which to base APEC's work in the years to come.

Regional Economic Trends and Issues

9. Ministers exchanged views on regional economic trends and identified a number of issues of ongoing economic concern to the region. Ministers considered the report prepared by the ad hoc group on economic trends and issues chaired by Canada and Thailand.

Ministers identified Asia-Pacific as one of the most dynamic economic regions, with growing interdependencies in trade and investment flows, and recognised the important role that a regional economic dialogue can play.

10. Ministers reviewed the trends in growth, inflation and current account balances in the APEC region. Ministers were of the view that the prospects for APEC economies were generally good. Ministers noted that much of regional growth is based on strong and persistent domestic demand in the APEC economies.

11. With respect to inflation, the overall expectation was for improved performance throughout the APEC region in 1991 and 1992, sustained by appropriate economic policies. It was recognised, however, that this issue would require ongoing vigilance. There was discussion of the performance of APEC economies' current accounts over recent years and of the trend to reduction in imbalances. It was also noted that some economies may experience an increase in imbalances in the short term.

12. Ministers discussed a number of issues of ongoing concern including: sustaining non-inflationary growth, labor and capital shortages, regional patterns of trade and investment, the environment and the economy, implications of changes in the Soviet economy, market access and the Uruguay Round outcome, structural adjustment and economic diversification.

13. Ministers welcomed the proposal by Japan to undertake a survey of economic linkages among APEC economies, the results of which will be discussed at the next ad hoc economic group meeting, along with continuing discussions on the economic outlook and trends.

Uruguay Round

14. Recognising the critical importance of achieving a successful outcome of the Uruguay Round, ministers issued a separate APEC declaration on the Uruguay Round (Annex C).

Trade Liberalization in the Region

15. Ministers considered the report of senior officials on the scope for trade liberalisation in the region, mandated at the Singapore ministerial meeting. They noted that one of the underlying principles behind APEC has been to exert a strong, positive influence on the future evolution of the global trading system, and that APEC's capacity to do this will be greatly enhanced through setting a positive example. Pursuing trade liberalisation within APEC on a GATT-consistent basis and not to the detriment of others will provide a powerful complement to multilateral trade liberalisation, as well as providing a stronger basis for increasing trade within the region to the mutual benefit of APEC participants.

16. Ministers discussed a number of options for enhancing trade flows within the region and endorsed the report of senior officials. Ministers reaffirmed the desirability of convening a meeting of APEC ministers concerned with trade policy following conclusion of the uruguay round to assess the outcome of the round for the region. Ministers further instructed senior officials to continue their work in this important area and, in particular, to identify options and make recommendations for approaches to trade liberalisation in the region.

17. Ministers also considered the option of inviting a group of eminent persons from among the region to consider the likely shape of trade in the Asia-Pacific over the medium-term, and to identify constraints and issues that would need to be addressed by governments in order to realise the potential for trade in the region. Ministers saw merit in the idea, and considered that it needed to be studied further, particularly in the light of the outcome of the Uruguay Round. Ministers directed senior officials to give further consideration to the idea, including whether it would be desirable to be more broad ranging in scope and the possible connections with the study of economic linkages among APEC economies: and report back to ministers.

18. Ministers noted that there is a broad range of consultations occurring on trade issues within the region. The nature and outcomes of such trade policy consultations have considerable potential for influencing the future of the multilateral trading system. Ministers agreed that any trade policy actions involving APEC participants should be designed to maximise trade creation, should not lead to new barriers to trade or investment, and should be consistent with APEC's overriding objective of an open and free multilateral trading system.

APEC Work Program

19. Ministers reviewed the consolidated report on the work program prepared by the chairmen's group composed of Australia, Singapore, Korea, Thailand and the United States. Ministers expressed satisfaction with the continuing progress made in the activities of the work program, and noted that in several areas substantial benefit to the region had already been derived.

20. Ministers endorsed the recommendation by senior officials to adopt three additional work projects, in the areas of fisheries, transportation, and tourism, thereby expanding the work program to ten work projects. Ministers directed officials to pursue vigorously the further development of the work projects and noted the following:

A. Review of trade and investment data
A preliminary inventory on merchandise trade data has been developed and inventories for investment and service flow data are underway.

B. Trade promotion: Programs and Mechanisms for Cooperation
The APEC Electronic Information Network (APEC ELIN), which connects Singapore's TDB Globalink with

the computer system of each APEC member, was established and is ready for the exchange of trade and industrial information.

C. Expansion of investment and technology transfer in the Asia-Pacific region.
A manual and inventory have been finalised to assist in the creation and management of technoparks. Technopark seminars and site visits were held. An Asia-Pacific Investment and Technology Information Network (APITIN) is in preparation.

D. Asia-Pacific Multilateral Human Resource Development Initiative (HRD)
HRD netowrks in economic development, business management and industrial technology, were established. Formulation seminars were held in 1991, at which work plans for 1991/1992 were drafted. The APEC partnership for education has 13 Asia-Pacific university contracts in place.

E. Regional Energy Cooperation
Energy supply and demand data was collected from members for the establishment of a regional energy database. Potential use of clean coal technology will be studied and the merit of establishing an APEC coal utilisation center for the development and introduction of these technologies is under consideration. An expert group will meet to review specific work plans in the field of R&D and discuss technology transfer.

F. Marine Resource Conservation: Problem of Marine Pollution in the APEC Region
Land-based pollution was identified as the focus of activity and integrated coastal zone planning was endorsed as a means to address marine environment protection and sustainable development. An experts task force will implement pilot projects in this area.

G. Telecommunications
Data on telecommunication environments in this region was published and distributed to the ministers. This data will be used to develop recommendations for ministers on measures that participants may take to promote development and efficient use of infrastructures. APEC's Electronic Data Interchange (EDI) project can lead to total electronic exchange of trade documents within the region by the end of the decade. A teleport seminar was held in cooperation with PECC. Guidelines on "how to approach training within a telecommunication organisation" will be completed by next ministerial meeting in Bangkok.

H. Fisheries
Specific work plans are under development, including indentification of fish stocks with management problems requiring international cooperation: arrangements that have been implemented to deal with management issues: cooperation in fish harvesting and post-harvesting technologies and: cooperation in product marketing.

I. Transportation
Short term projects identified are surveys of transportation bottlenecks in cooperation with PECC, of existing transportation data, of transportation systems and services, and a review of related transportation work in other international bodies Medium term projects include a regional transportation system.

J. Tourism
Work plans include the improvement of data collection and statistical reporting: identification and reduction of impediments to tourism, tourism training and education, and: compilation of an inventory on current tourism projects and tourism-related events by APEC participants.

21. Ministers reviewed the description and evaluation of the work program activities provided by senior officials in the consolidated report. Discussions focused on the issues of the interrelationship among individual work projects, the administrative and funding requirements of the projects and the desirability of enhancing active private sector involvement in the work program.

22. Ministers recognised that the issues highlighted in the consolidated report need to be resolved in order to advance the work program and provide further benefits to the region. Ministers acknowledged that overall coordination and management of the APEC work program depends upon the efforts of all participants.

Future Steps for APEC

23. With a view to further strengthening APEC's role and enhancing its efficiency in promoting regional economic cooperation, ministers recognised the need to consider, among others, the possibility of establishing a mechanism on a permanent basis to provide support and coordination for APEC activities at various levels: ways to finance APEC activities, including a procedure for apportionment of expenses: and other organisational matters.

24. Ministers agreed that the complexity of the issues required further in-depth study. They entrusted senior officials with the task of completing an extensive review of the issues and providing options and recommendations for decision at the fourth ministerial meeting. On this issue, Thailand will convene a meeting composed of a chairmen's group and other interested participants prior to the next SOM [senior officers meeting].

Participation

25. Ministers took note of the interest expressed by a number of countries and organisations in participating in or associating themselves with APEC. Ministers reaffirmed that APEC is an open and evolving process and requested senior officials to further consider the issue of additional participation, taking into account the criteria in the seoul APEC declaration, and report back to the fourth ministerial meeting in Thailand.

Venues for Further APEC Ministerial Meetings

26. The fourth ministerial meeting will be held in Thailand in 1992: the fifth ministerial meeting will be held in the United States in 1993: and ministers welcomed Indonesia's offer to host the sixth ministerial meeting in 1994.

Other Matters

27. At the conclusion of this third meeting, ministers expressed satisfaction with the discussions which reaffirmed the value of closer regional consultation and economic cooperation on matters of mutual interest.

28. Ministers and their delegations expressed their appreciation to the government and people of the Republic of Korea for organising the meeting, for the excellent arrangements made for it as well as for the warm hospitality extended to them.

Declaration on Uruguay Round

SK1411033191 Seoul YONHAP in English 0309 GMT 14 Nov 91

[Text] Seoul, Nov. 14 (YONHAP)—The following is the full text of the declaration on the Uruguay round adopted by the APEC [Asia-Pacific Economic Cooperation] ministerial conference Thursday.

1. Ministers from Australia, Brunei Darussalam, Canada, People's Republic of China, Hong Kong, Indonesia, Japan, Republic of Korea, Malaysia, New Zealand, the Philippines, Singapore, Chinese Taipei, Thailand and the United States met in Seoul on 12-14 November 1991 and addressed, as the number one priority of the APEC agenda, the current status of the Uruguay round of multilateral trade negotiations.

2. Ministers declared a successful conclusion of the Uruguay round to be the most critical economic issue facing the international community.

3. Recalling the Singapore declaration on the Uruguay round, ministers underlined the significance for each of their economies and to the Asia-Pacific region of an open and strengthened multilateral trading system.

4. Ministers emphasized that a major and significant outcome to the round is necessary to underpin the growth of world trade, to forestall protectionist pressure, to instill confidence in markets and to facilitate the continuation of economic reform in the region and elsewhere.

5. Ministers welcomed recent signs of movement in key areas of the negotiations and called for further progress in agriculture, textiles and clothing, services, market access, rule-making and intellectual propery, leading to a balanced, comprehensive and substantial result.

6. Ministers declared that a successful round must include substantial liberalization of trade in both goods and services, based on strengthened rules and disciplines in the multilateral trading system.

7. Ministers expressed their firm resolve to show the necessary flexibility and to take, as soon as possible, the political decisions needed to assemble a detailed package by the end of this year.

8. To this end, ministers pledged to instruct their negotiators to return to the negotiating table with renewed vigor, and to work with each other and their trading partners outside the region to produce a bold and forward-looking result.

Qian Qichen News Conference

SK1411133391 Seoul KBS-1 Television Network in Korean 1200 GMT 14 Nov 91

[Report on news conference by PRC Foreign Minister Qian Qichen, at the Shilla Hotel in Seoul on 14 November; Qian speaks in Mandarin with Korean subtitles—passages within quotation marks recorded]

[Text] Chinese Foreign Minister Qian Qichen, who asked for an unusual, separate news conference timed to coincide with the end of the Asia-Pacific Economic Cooperation [APEC] Conference, placed great importance on the APEC Conference hosted by the ROK, citing, first of all, the adoption of the Uruguay round negotiations declaration and the admission of the three Chinas [se Chungguk] into APEC.

In particular, Foreign Minister Qian Qichen clarified China's official position on the nuclear issue on the Korean peninsula, a question showered on him by domestic and foreign reporters.

[Qian] "China's clear-cut stand is that there should be no nuclear weapons on the Korean peninsula. We are concerned about efforts made by other countries about this issue, but international pressure is not desirable."

Minister Qian Qichen also reacted negatively to talks among the six Northeast Asian countries, also known as the two plus four talks, proposed by U.S. Secretary of State Baker, as an effort to curb North Korea's nuclear development.

[Qian]"The Korean peninsula question should be settled on the initiative of the parties concerned. Other countries should play a supporting role, no more than that."

When questioned why China has delayed the establishment of diplomatic relations with the ROK even after it had already endorsed the latter's admission into the

United Nations, Minister Qian Qichen displayed a reaction that seemed to show his consciousness of North Korea.

[Qian]"In a sense, admission into the United Nations and the establishment of diplomatic relations are related to each other, but essentially they are two different issues.

"I have met with President No Tae-u and Foreign Minister Yi Sang-ok and discussed with them issues of common concern related to the interests of the two countries."

In today's news conference, reporters from Taiwan, which has been admitted into the APEC along with China, showed great concern about the issue of improving relations between the two countries. Minister Qian Qichen, however, made it clear that Taiwan should not be allowed to become member state of the General Agreement on Trade and Tariff before China does, not to mention its admission into the United Nations, on the ground that it is part of Mainland China.

Meeting Ends, Delegates Depart

SK1411134091 Seoul YONHAP in English 1249 GMT 14 Nov 91

[Text] Seoul, Nov. 14 (YONHAP)—Chinese Foreign Minister Qian Qichen and many other delegates to the just-ended ministerial meeting of the Asia-Pacific Economic Cooperation left here Thursday, winding up the two-day session.

The first Chinese cabinet minister to visit Seoul, Qian paid a courtesy call on President No Tae-u Tuesday [12 November] and held talks with Foreign Minister Yi Sang-ok and other officials on normalization of diplomatic relations and North Korea's nuclear development.

U.S. Secretary of State James Baker and most other foreign ministers are to leave here Friday [15 November] morning.

Japanese Foreign Minister Michio Watanabe returned home Wednesday afternoon due to the Diet schedule.

Japan

Chief Cabinet Secretary on Bush's Asia Speech

OW1411041391 Tokyo KYODO in English 0342 GMT 14 Nov 91

[Text] Tokyo, Nov. 14 KYODO—Leaders in Japan and the United States must work to ensure that ill-feelings between the two nations do not develop into a political issue, the top government spokesman said Thursday.

"It is true that Japan has mixed feelings toward the United States," Chief Cabinet Secretary Koichi Kato said remarking on a speech by U.S. President George Bush.

Bush in a speech to the Asia Society in New York on Tuesday described Japan-bashing as a "minor sport" in some places in the U.S., and noted that some Japanese have become scornful of the U.S.

Kato said that Prime Minister Kiichi Miyazawa shares Bush's view on the need to defuse friction between the two nations.

It is important for both countries to come to grips with economic issues, Kato said.

"In particular we appreciate the United States efforts to resolve its budget deficit," he said at a regularly scheduled news conference.

Asked about the possibility Bush would visit Tokyo this year, Kato said he believed it would be "difficult."

Bush said in the speech he hoped to vist Asia soon. Last week he canceled a trip to Japan and three other nations in the Asia-Pacific region planned for later this month.

Ministry 'Unaware' of Military Exports to Burma

OW1411075291 Tokyo KYODO in English 0730 GMT 14 Nov 91

[Text] Tokyo, Nov. 14 KYODO—Japan is unaware of reported exports to Myanmar [Burma] of a large number of Japanese commercial vehicles allegedly being put to use for military purposes, Foreign Ministry officials said Thursday.

The officials, who spoke on condition of anonymity, also said they have no information on the reported "increasing concern" of European Community (EC) officials over the matter.

The Hong Kong-based weekly FAR EASTERN ECONOMIC REVIEW reportedly recently that trucks made by Nissan, Isuzu, and Toyota "are known to have flowed into Burma (Myanmar) over the past 18 months, some of them already painted green."

The officials said Japan supports the EC's maintenance of an arms embargo against the Myanmar military regime because of its human rights record and its failure to respect the results of the May 1990 general election.

Highest-Level Talks Held With Taiwan Since 1972

OW1311232191 Tokyo KYODO in English 2307 GMT 13 Nov 91

[Text] Seoul, Nov. 14 KYODO—Japanese Minister of International Trade and Industry Kozo Watanabe met his Taiwanese counterpart Wednesday for the first ministerial-level contact between Japan and Taiwan in nearly two decades, Japanese Government officials said.

Watanabe held what the officials called "historic" bilateral talks with Taiwanese Minister of Economic Affairs Vincent C. Siew.

The hastily-arranged meeting was the nighest-level contact made between Japan and Taiwan since 1972 when Tokyo severed diplomatic ties with Taipei and established official relations with Beijing.

Concern Expressed Over East Timor Shootings

OW1411063291 Tokyo KYODO in English 0552 GMT 14 Nov 91

[Text] Tokyo, Nov. 14 KYODO—Kazuyoshi Urabe, counselor for the Foreign Ministry's Asian Affair Bureau, expressed concern Thursday about a reported Indonesian Army shooting in East Timor on Tuesday.

Calling Indonesian Minister to Japan Zainnddin Rahman to the Foreign Ministry, Urabe was quoted as telling him it is regrettable if the Indonesian Army, as reported, fired on and killed many East Timorese.

Urabe also called on Rahman to investigate the incident and to supply information about it, according to Foreign Ministry officials. He also said such incidents should be avoided in the future.

Rahman replied he will convey the message to the Indonesian Government, the officials said.

Cabinet Secretary Regrets Deaths

OW1411091091 Tokyo KYODO in English 0859 GMT 14 Nov 91

[Text] Tokyo, Nov. 14 KYODO—Japan expressed its concern Thursday about a report on members of the Indonesian Army possibly killing more than 100 demonstrators in East Timor on Tuesday and called for an investigation of the incident.

Chief Cabinet Secretary Koicho Kato told reporters in a regularly scheduled press conference that Japan considers the reported loss of lives very regrettable and hopes there is no further bloodshed in the troubled Indonesian province.

Reports put the death toll at between 50 and 115 after the Indonesia army fired on thousands of marchers in the East Timorese capital of Dili.

Kato noted that the government has firmly conveyed its concerns to the Indonesian Government.

Earlier in the day, Indonesian Embassy Minister Zainnddin Rahman was called to the Foreign Ministry to explain the incident and to convey Japan's message to his home government.

Ministry officials said Japan asked Indonesia to have the incident investigated.

Kato told reporters that Japan does not take a stance on the issue of self-determination for the people of East Timor, a former Portuguese colony. Indonesia established control of the island in 1975-76 and formally annexed East Timor in 1977.

Between 1977 and 1982, Japan has abstained on six U.N. General Assembly resolutions concerning self-determination for the East Timorese.

It has also abstained on a 1976 resolution calling for the immediate withdrawal of indonesian forces and voted against an earlier resolution in 1975 that had deplored the invasion.

A Foreign Ministry source said Japan is "just observing the dialogue between the related parties...and intermediary efforts of the U.N. Secretary General."

"As to question of what country East Timor should belong to, it is not appropriate for us to make a judgment whether it belongs to Indonesia or Portugal, because its still being discussed between the two governments," he said.

"But we recognize the fact that the East Timor region is effectively administered by the Indonesian Government," he added.

Farm Ministry Warns Against Easing Rice Stance

OW1311201691 Tokyo KYODO in English 1339 GMT 13 Nov 91

[Text] Tokyo, Nov. 13 KYODO—A ranking Agriculture, Forestry, and Fisheries Ministry official cautioned ruling and opposition party members Wednesday against softening their stance on the country's rice import ban.

His warning came in response to remarks earlier in the day by Komeito Secretary General Yuichi Ichikawa indicating Japan's No. 2 opposition party was ready to negotiate on converting rice and other farm trade barriers to tariffs.

Ichikawa made the comments during talks with U.S. Ambassador Michael Armacost.

"We don't want the rice issue handled lightly. The government and the ruling Liberal Democratic Party have agreed to reject tariffication and we would like the food issue, which is important to the Japanese, considered from a long-term point of view," the ministry official said.

The U.S. and some countries of the European Community have urged Japan to lift its rice import ban to help bring the Uruguay round of multilateral trade talks to a successful conclusion.

But Japan's Farm Ministry is strongly resisting such calls by insisting basic food items like rice be excluded from the tariffication proposal.

Farm Union Emergency Meeting Opposes Concessions

OW1411090391 Tokyo KYODO in English 0848 GMT 14 Nov 91

[Text] Tokyo, Nov. 14 KYODO—The Central Union of Agricultural Cooperatives held an emergency meeting in Tokyo on Thursday to discuss the possible opening of the Japanese rice market.

Mitsugu Horiuchi, chairman of the powerful rice lobby, speaking before about 500 delegates, warned the Liberal Democratic Party (LDP) not to betray the farmers, or the ruling party would suffer in the next election.

Horiuchi said he was concerned Prime Minister Kiichi Miyazawa's plan for the Uruguay round of multilateral trade talks was to match European Community (EC) and U.S. concessions with Japanese concessions on rice.

There should not be any link between such concessions, he said.

The gathering decided to strengthen a petition to the government ministries that calls for a rejection of replacing the import ban with tariffs and for continuing the long-standing policy of self-sufficiency in rice.

Bank of Japan Cuts Discount Rate 0.5 Percent

OW1411002991 Tokyo KYODO in English 2345 GMT 13 Nov 91

[Text] Tokyo, Nov. 14 KYODO—The Bank of Japan (BOJ), in a long-awaited move, on Thursday cut the benchmark interest rate with the aim of preventing Japan's current economic slowdown from turning into a recession.

The central bank's policy board decided at an emergency meeting thursday morning to cut the official discount rate to an annual 5.0 percent from 5.5 percent, effective immediately.

The lowering of the rate, which the BOJ charges on loans to commercial banks, is the second since July 1, when it cut the rate by 0.5 percentage point, loosening its grip on credit for the first time in more than two years.

Thursday's easing of monetary policy came after three months of decline in short-term interest rates.

Since the July cut, the BOJ has tapped a variety of means to inject liquidity into the economy.

It allowed overnight call rates in the money market to drop more than one percentage point and reduced the amount of reserves banks must keep in their central bank accounts.

As a result, both short-term and long-term prime rates, which banks charge on loans to their most creditworthy borrowers, have fallen about one percentage point.

"It is the BOJ just lagging behind free market rates," said Jesper Koll, chief economist at S.G. Warburg Securities Ltd. "The move is merely a follow-up to market rates."

Economists view the BOJ's cut in the key lending rate as a manifestation of growing concern among central bank policy makers that the Japanese economy should be stimulated now to avert the risk of a major downturn within the next year.

BOJ Governor Yasushi Mieno, who has persistently voiced optimism about the economy's strength, recently conceded that business confidence is weakening and said its effect on the economy should be monitored carefully.

"The BOJ is apparently quite mindful of the outlook for the next fiscal year, which will see considerably weak economic growth," said Atsushi Miyawaki, senior economist at the Japan Research Institute, an affiliate of Sumitomo Bank.

Miyawaki predicted that real growth in Japan's gross national product will fall below 3 percent in fiscal 1992.

Recent economic indicators appear to underscore such projections.

Retail sales growth in September slumped to a sluggish 2.5 percent from a year earlier, and was actually negative if adjusted for inflation.

Industrial production continued to show a flat to negative trend, while housing starts plummeted by 26.6 percent from the previous year's level.

The Economic Planning Agency's latest survey showed capital spending by Japanese companies during the current fiscal year will grow only 4.8 percent from the previous year, well below the government's prediction of 7.9 percent.

On the other hand, inflation is demonstrating increasingly clear signs of stability.

Land prices have also been tamed enough to make BOJ economists feel safe about easing monetary policy, said S.G. Warburg's Koll.

"The outright attack on asset prices is over. The concern is now over asset deflation," he said.

Few economists believe the BOJ's latest rate cut will be the last.

"Nobody thinks this is the end of the current process of monetary easing," said Fujio Tatsuuma, chief manager at Mitsubishi Bank's Economic Research Department.

Russell Jones, senior economist at UBS Phillips and Drew International Ltd., concurred, saying, "We have to get a lot more monetary easing over the next six or nine months. I think you need at least another 1.0 percentage point off the official discount rate to get the economy back to its potential growth rate, which is about 3.5 to 4.0 percent."

Jones and Koll foresee another 0.5 percentage point cut early next year, probably before fiscal 1992 starts in April.

"Inflation is going to fall quite sharply, and so market interest rates will fall, and the discount rate will come down after it," said Jones.

But he added, "I don't think there will be any need for a sudden dramatic change in monetary policy."

He forecasts that the Japanese economy will bottom out by next spring and will gradually pick up after that.

Miyazawa Meets Lower House Budget Committee

Says Rate Cut 'Opportune'

OW1411062491 Tokyo KYODO in English 0555 GMT 14 Nov 91

[Text] Tokyo, Nov. 14 KYODO—Prime Minister Kiichi Miyazawa on Thursday welcomed the Bank of Japan's [BOJ] half-point cut in the official discount rate, saying that the decision by the BOJ governor was made at an opportune time.

He made the remark at a meeting of the House of Representatives Budget Committee, in response to a question about the cut from Liberal Democratic Party member Masaaki Nakayama.

The meeting followed an early Thursday announcement that the BOJ would reduce the official discount rate it offers to banks from 5.5 percent to 5.0 percent.

In response to Nakayama's question about measures to be taken against the fall in the money supply, Finance Minister Tsutomu Hata indicated that no immediate steps will be taken.

"I would like to examine the effects of the discount rate cut," he said.

"The economy is slowing and the money supply is decreasing. But consumer spending is still strong and there continues to be a labor shortage problem," the finance minister said, adding, "so you can say the fundamentals remain firm."

Meanwhile, officials at the Ministry of International Trade and Industry (MITI) expressed their approval of the discount rate cut.

"It is a timely move, since corporations are increasingly looking for lower interest rates on loans," an official said.

The economy is slowly losing steam, as signaled by a fall in the number of new housing constructions and by slower plant investment, the official said.

Vice Director General Yasuo Katsumura of the Economic Planning Agency said in a separate press conference that he does not see the need for another rate cut this year.

"I think that the discount rate should be maintained on a long- term basis at this level," Katsumura said.

Comments on Recruit, UN

OW1411062891 Tokyo KYODO in English 0611 GMT 14 Nov 91

[Text] Tokyo, Nov. 14 KYODO—Prime Minister Kiichi Miyazawa hinted Thursday that he is ready to submit to the Diet documents which relate to the Recruit influence-buying scandal allegedly involving him five years ago.

Miyazawa, who assumed premiership last week, dropped a hint in his reply to questions from Social Democratic Party Secretary General Sadao Yamahana at the parliament's House of Representatives Budget Committee meeting.

Miyazawa said, "I will sincerely deal with the Budget Committee on the Recruit scandal if the committee decides that I should submit the related documents to it."

Under the name of Miyazawa, his former secretary allegedly received 10,000 unlisted shares from a subsidiary of information conglomerate Recruit Co. in September 1986. Miyazawa later gained about 20 million yen by selling the shares.

Miyazawa resigned as finance minister in December 1988 to take responsibility for his involvement in the scandal.

The documents, asked by Yamahana to be submitted to the Budget Committee, are called "a set of three records," which consists of a sales contract under the name of Miyazawa with a subsidiary of the Recruit Co. and bank certificates on buying unlisted shares and selling the shares.

Prior to questions from Yamahana, ruling Liberal Democratic Party (LDP) lower house member Masaaki Nakayama asked Miyazawa about whether his government intends to revise the constitution at the time of the 50-year anniversary on Japan's attack on Pearl Harbor in December 1941.

Miyazawa dismissed Nakayama's proposal, saying, "the Japanese people support the Constitution stipulating freedom, international harmony and human rights."

Miyazawa said Japan will continue to ask United Nations member states to delete the so-called "enemy clause," that stipulates the right of any of the allied powers to start military action against Japan, Germany, Italy and any other of the Axis countries from World War II.

Miyazawa said Japan has wondered if the formation of the U.N. Security Council is right. The Security Council is composed of the five victors of World War II—the United States, Britain, the Soviet Union, France and China.

He said the government will consider inviting a U.N. disarmament organization to move to the city of Hiroshima, on which a U.S. bomber dropped an atomic bomb in the closing days of World War II.

Concerning an international ban on a drift net fishing, Agriculture, Forestry and Fisheries Minister Masami Tanabu said Japan considers the controlled drift net operations in high seas as corresponding with the protection of natural environment.

Japan has insisted it is possible for countries to continue controlled drift net fishing operations, while the United States has proposed a ban on such fishing practices in the United Nations beginning in June.

Finance Minister Says Rate Cut Promotes Growth

OW1411010391 Tokyo KYODO in English 0029 GMT 14 Nov 91

[Text] Tokyo, Nov. 14 KYODO—Finance Minister Tsutomu Hata Thursday welcomed the Bank of Japan's 0.5 percent reduction of the official discount rate as a move that will help maintain economic growth.

"The cut will contribute to continued growth of an economy that is spurred by domestic demand and free from inflationary pressures," the minister said.

"It is a timely measure that has been implemented with a mind to the effects it will have on corporate pyschology," he said.

Bank Governor Comments on Discount Rate Cut

Hopes Economy Sustains Growth

OW1411012891 Tokyo KYODO in English 0156 GMT 14 Nov 91

[Text] Tokyo, Nov. 14 KYODO—Bank of Japan (BOJ) Governor Yasushi Mieno, following an announced cut in the official discount rate early Thursday morning, said he hopes the current domestic demand-led economic growth in Japan will sustain its momentum.

The central bank dropped the key lending rate by 0.5 percentage point to 5.0 percent per annum effective immediately.

Mieno, in a news conference after the reduction announcement, said he hopes the decision will lead Japan's economy to sustain its balanced growth, led by domestic demand and stable prices.

The BOJ decided to order the cut in the benchmark interest rate after the central bank examined several factors, including the recent economic climate, prices, the level of money supply, and foreign exchange rate trends, Mieno said.

Recent declines in market rates were also taken into consideration, he said.

The decision was part of a series of moves by the central bank to ease its financial stance, he added.

The central bank governor also said Thursday's cut in the key lending rate will benefit the world economy.

"Maintaining Japan's economic fundamentals in good shape and sustaining its economic growth without inflation will be a contribution to the world economy, because Japan carries a large weight globally," he said.

As for the impact of the rate reduction on Japan's current account surplus, which has registered double-digit growth this year, Mieno said he did not think the cut will be a large factor.

As some of reasons for such an increase, Mieno pointed to sharp declines in gold imports and the yen's appreciation against the U.S. dollar.

Mieno said that he is seeing the structural change of Japan's economy from the past tendency to promote exports and limit imports.

Notes Reasons for Change

OW1411045591 Tokyo KYODO in English 0352 GMT 14 Nov 91

[Excerpts] Tokyo, Nov. 14 KYODO—The Bank of Japan (BOJ) cut the benchmark discount interest rate Thursday in a move to respond to a recent decline in money market rates and to prevent the Japanese economy from plunging into a deep trough. [passage omitted]

BOJ Governor Yasushi Mieno told a news conference following the announcement the central bank's decision was based on a "comprehensive judgment" of the nation's economic health, and reflects falling market rates.

Mieno pointed to weakening business confidence, slow money supply growth, and price stabilization—which are mirrored in market rates—as reasons for the ease in the bank's monetary stance.

"Market rates have become a more precise reflection of economic conditions, and have assumed more weight," he said, referring to the reasons for the decision. [passage omitted]

Analysts say it is quite obvious that the money market has already discounted the cut, since market rates remained stable after Thursday's announcement of the cut.

The BOJ also sent an unmistakable signal to the market that it considers the current rate to be at the bottom level for the near term, by purchasing commercial paper (CP) at 6.31 percent, roughly the same level as the current overnight call money rate.

"The CP operation made it clear that the BOJ doesn't want any more slides in market rates for the time being," said Kouichi Nishina, general manager of Mitsui Taiyo Kobe Bank's Treasury Division.

"Short-term rates will stay at the current level for a while," said Kazuhiko Sano, a bond dealer at Sumitomo Bank.

Economists view the BOJ's cut in the key lending rate as a manifestation of growing concerns among central bank policy makers that the Japanese economy should be stimulated now to avert the risk of a major downturn within the next year.

"The BOJ is apparently quite mindful of the outlook in the next fiscal year, which will see considerably weak economic growth," said Atsushi Miyawaki, senior economist at the Japan Research Institute Ltd., an affiliate of Sumitomo Bank.

Miyawaki predicted real growth in Japan's gross national product (GNP) to fall below 3 percent in fiscal 1992. [passage omitted]

Few economists believe the BOJ's latest rate cut will be the last.

"Nobody thinks this is the end of the current process of credit easing," said Fujio Tatsuuma, chief manager at Mitsubishi Bank's Economic Research Department. [passage omitted]

Decision Reflects 'Economic Reality'

OW1411043191 Tokyo KYODO in English 0359 GMT 14 Nov 91

[Text] Tokyo, Nov. 14 KYODO—Bank of Japan (BOJ) Governor Yasushi Mieno said Thursday that the central bank's latest cut in its official discount rate is a virtual follow-up to a three-month downtrend in the money market.

The central bank decided early Thursday morning to cut the benchmark rate by 0.5 percentage point to 5.0 percent per annum.

The move came after almost three months of the BOJ's "de facto" easing of monetary policy, which has resulted in a more than 1 percentage point drop in the overnight call money rate.

Mieno told a news conference immediately after the bank's Policy Board meeting that the key rate cut was in line with a "series of meticulous credit easing measures" the bank has taken over the past few months.

He said market rates now reflect economic reality to a considerable extent, and the figures have come to assume more weight for the central bank's monetary policy decision-making process.

Mieno added, however, that the bank has, "no intention of following the market trend automatically."

The decision was based on a "comprehensive judgment" of economic conditions, he said.

Mieno said market rates can not be manipulated by the BOJ.

The central bank will continue to make appropriate adjustments to its monetary policy, keeping the intention behind the latest cut in mind, he said.

Asked about a recent massive shift of money from bank deposits to postal savings accounts due to interest rate differences, the central banker said it would be a good thing if the new cut helps change the trend.

Mieno flatly denied that the key rate cut was motivated by a recent U.S. discount rate reduction or by an ongoing resurgence of Japan's current account surplus.

"These factors had no direct effect on the decision," he said.

"We paid little attention to the current account balance in considering the cut," he added.

Business Leaders Say Rate Cut 'Adequate'

OW1411054291 Tokyo KYODO in English 0527 GMT 14 Nov 91

[Text] Tokyo, Nov. 14 KYODO—Kenichi Suematsu, chairman of the Federation of Bankers Associations of Japan, issued an welcoming statement Thursday on the Bank of Japan (BOJ)'s cut in its key lending rate earlier in the day. The statement said the decision was adequate to maintain stable economic growth led by firm domestic demand and stable prices.

The bank association hopes the monetary authorities will continue making financially flexible moves, Suematsu said.

The central bank, in a long-awaited move, reduced the official discount rate by 0.5 percentage point to 5.0 percent per annum, effective immediately.

The BOJ rate cut was good news for the business world which has been troubled with weakening business performance, said Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren) in a press conference.

Japan's businesses have waited some time for an easing of monetary control as the economy has begun to slow.

Masaru Hayami, chairman of the Japan Association of Corporate Executives, in a separate press meeting said the rate cut was an appropriate move to bring Japan's economy to a more "cruising speed" growth, while avoiding a possible recession.

Rokuro Ishikawa, chairman of the Japan Chamber of Commerce and Industry (Nissho), said the cut was necessary for Japanese businesses, especially after two recent cuts in the U.S. benchmark rate.

As for the future course of monetary policy, however, business leaders showed some slight differences.

Ishikawa called for further easing, especially of the current tight grip on land price control, and was optimistic there would be no recurrence of the "bubble economy"—spiraling land and stock prices.

Takeshi Nagano, chairman of the Japan Federation of Employers' Associations (Nikkeiren), contrarily warned against an "excessive" easing to avoid reinflating the bubble economy.

Industry 'Generally' Welcomes Official Rate Cut

OW1411133891 Tokyo KYODO in English 1153 GMT 14 Nov 91

[Text] Tokyo, Nov. 14 KYODO—Japanese industry generally welcomed Thursday's cut in the official discount rate by the Bank of Japan (BOJ) but wondered if the reduction is big enough to keep the economy from slowing.

The central bank action slicing its key lending rate by 0.5 percentage point to 5.0 percent per year to fuel the cooling economy was appropriate, business leaders said on the whole.

But many questioned the effectiveness of a 0.5 point cut, with some calling for a further reduction.

Hiroshi Saito, chairman of the Japan Iron and csteel Federation, called the cut well timed but said demand in all sectors—except shipbuilding and some consumer electronics makers—was clearly on the decline and that corporate earnings were falling.

He wondered whether the latest central bank action would be enough to reverse this trend.

The chairman of the Japan Federation of Construction Contractors, Teruzo Yoshino, said the rate reduction will probably have a favorable impact on capital investment and housing starts.

Coming at a very bleak period in the industry, when growth has been stymied by tight credit and the Finance Ministry's restrictions on loans for real estate purchases, the BOJ move is especially welcome, he said.

Ministries Agree To Cut Deposits, Savings Rates

OW1411114791 Tokyo KYODO in English 1135 GMT 14 Nov 91

[Text] Tokyo, Nov. 14 KYODO—The Ministries of Finance, and Posts and Telecommunications agreed Thursday to cut the interest rates on bank deposits and postal savings from November 25, officials said.

The move follows the Bank of Japan's 0.5 percentage point cut thursday in the official discount rate to 5.0 percent per year.

The interest rates on time deposits at banks and fixed-amount postal savings will also be cut by 0.5 percentage point, the officials said.

The interest rate on demand deposits at banks will be cut by 0.25 point and that on ordinary postal savings will be lowered by 0.24 point, they said.

The cut in interest rates is expected to become official after the two ministries receive recommendations from their advisory panels.

This would be the first time since March 1986 that the rates on time deposits and the official discount rate have been lowered by the same margin.

The officials said the moves are aimed at preventing further concentration of private funds in fixed-amount postal savings with regulated interest rates, which offer higher yields than bank savings accounts with unregulated interest rates.

Under the agreement, the interest rate on demand deposits at banks will be 1.50 percent, down from the current 1.75 percent, while that on one-year time deposits will be 5.25 percent, down from 5.75 percent, the officials said.

The interest rate on ordinary postal savings will be 2.88 percent, down from the present 3.12 percent, they said.

The rate on fixed-amount postal savings of more than three years will be 5.50 percent, down from 6.0 percent, and the annual yield on such savings of three years will be 5.892 percent, down from 6.468 percent, they said.

The annual yield on "kijitsu-shitei" time deposit withdrawable at one month's notice after a deposit period of one year will be set at 5.250 percent, down from 5.750 percent, two years at 5.651 percent, down from 6.180 percent, and three years at 5.807 percent, down from 6.367 percent, the officials said.

Government Rules Out Deficit-Financing Bonds

OW1411065191 Tokyo KYODO in English 0556 GMT 14 Nov 91

[Text] Tokyo, Nov. 14 KYODO—Finance Minister Tsutomu Hata on Thursday ruled out the possibility the government would resume issuing deficit-financing bonds to cover falling tax revenues.

Speaking at an annual meeting of regional banks in lieu of Hata, Vice Finance Minister Hiroshi Yasuda said it will continue to be the basic policy of the Finance Ministry not to issue deficit-financing bonds even though tax revenues are dwindling.

The ministry will continue to do its utmost to improve the government's fiscal standing by reducing the proportion of debt servicing costs in its expenditures, Hata said.

Trade Industry Asks Groups To Expand Imports

OW1311044491 Tokyo KYODO in English 0416 GMT 13 Nov 91

[Text] Tokyo, Nov. 13 KYODO—The Ministry of International Trade and Industry (MITI) on Wednesday asked major Japanese industry groups to promote a government-backed import expansion program known as the "Business Global Partnership Action Program."

The MITI made the request in a meeting with leaders of 17 export-oriented industry groups, including the Japan Foreign Trade Council and the Japan Automobile Manufacturers' Association, MITI officials said.

Most leaders present expressed willingness to comply with the request.

The program has been worked out to reduce Japan's increasing trade surplus by expanding imports and increasing the local content ratio in Japanese companies' overseas production operations.

Japan's trade surplus amounted to 39.9 billion dollars in the first half of current fiscal 1991, the fifth highest level on record, according to a government preliminary trade data.

Steel Output Drops in Oct for Third Month

OW1411064891 Tokyo KYODO in English 0559 GMT 14 Nov 91

[Text] Tokyo, Nov. 14 KYODO—Steel production fell in October for the third consecutive month, slipping 5.9 percent from a year earlier to 9.25 million metric tons, the Japan Iron and Steel Federation said Thursday.

The production level itself was the lowest for the month since October 1987 when Japanese steelmakers turned out 8.98 million tons, the federation said.

Compared with September, production showed a 3.9 percent gain in October, according to the federation which groups the nation's major steel producers.

The year-to-year drop in steel production followed a 2.1 percent fall in September and a 1.7 percent dip in August, which was the first year-on-year drop in 13 months.

The string of three monthly declines points to a slowdown in Japan's auto, construction and industry machinery industries, three of major steel users.

Matsushita Agrees To Pay Yen Tax to U.S.

OW1211001491 Tokyo KYODO in English 1538 GMT 11 Nov 91

[Text] Tokyo, Nov. 11 KYODO—Matsushita Electric Corp. of America has agreed to pay the equivalent of 1.2 billion yen in back taxes on videocassete recorders (VCRs) imported from its parent firm in Japan in 1981-82, informed sources said Monday.

The payment is designed to make up for unpaid U.S. corporate taxes stemming from a gap between the company's import price for the Japanese-made VCRs and fairer "arms-length prices," NTAA officials said.

An arms-length price is considered that which is set between two independent companies with no interlocking ownership relations or collusive connections.

The U.S. sales subsidiary of Matsushita Electric Industrial Co. is headquartered in Secaucus, New Jersey, and is a clearinghouse for various electronic products made by the parent firm based in central Japan.

The agreement ended hard bargaining between the tax authorities of both countries over the fair amount of corporate tax to be paid in the case.

Under the negotiated settlement, the Matsushita conglomerate accepted the U.S. claim that it had failed to declare 1.4 billion yen in profit from sales of Japanese-made VCRs in the U.S. market, the officials said.

The Internal Revenue Service (IRS), the U.S. counterpart of NTAA, had demanded that Matsushita pay a penalty tax on more than 10 billion yen it said the subsidiary failed to declare, they said.

The IRS argued that the subsidiary should have declared as profit the huge differential between the actual import price of VCRs from Japan and a lower arms-length price it would have paid if it had imported from Japanese VCR manufacturers other than its parent firm.

The IRS judged that the subsidiary transferred the unreported profit to the parent company in Japan, thereby enabling the subsidiary to evade U.S. corporate taxes, the officials said.

The Matsushita subsidiary denied the charge, saying that its import prices were set fairly and that its parent company had already paid Japanese corporate taxes on the portion of profit the IRS alleged had been transferred to Japan.

Under the accord, the subsidiary will pay an additional 1.2 billion yen in U.S. corporate tax, including a penalty tax. Japan's NTAA will return 800 million yen of the Japanese corporate tax the parent firm had paid on the corresponding VCR exports from Japan.

The accord came as several other Japanese export giants, such as Toshiba Corp. and Hitachi Ltd., continue to wrangle with the IRS over more than 50 billion yen in back taxes being sought by U.S. authorities.

Hitachi Opens Two Factories in Malaysia

OW1211115391 Tokyo KYODO in English 0909 GMT 12 Nov 91

[Text] Kuala Lumpur, Nov. 12 KYODO—Japan's Hitachi Ltd. will open two more factories next week in Malaysia with a total investment of about 270 million ringgit (about 98 million dollars), senior company officials said Tuesday.

The new facilities will produce air conditioner components, videocassette recorders (VCRs), and television parts, the officials said.

The Hitachi Electronic Products (M) Sdn. Bhd. (HEPM) and Hitachi Air Conditioning Products (M) Sdn. Bhd. (HAPM) Factories in the Bangi District near Kuala Lumpur brings to 13 the total number of Hitachi plants in Malaysia. Prime Minister Mahathir Mohamad will officially open them Monday.

Hitachi is the second-biggest Japanese investor in Malaysia after the Matsushita group.

HEPM, a joint venture between Hitachi Ltd. (holding 80 percent equity) and the Singapore-based Hitachi Consumers Products Pte Ltd. (20 percent) produces VCRs, the chassis of VCRs, color televisions, and projection televisions.

Sadanori Watanabe, HEPM's managing director, said the company is conducting a feasibility study to make its Bangi plant, the biggest outside Japan, Hitachi's global supply base for VCRs.

HAPM, a wholly owned Hitachi Ltd. subsidiary, manufactures home air conditioners and rotary and scroll compressor parts, said Hiroyuki Fukuyama, HAPM's managing director.

The HAPM plant has been operating for a year with an annual turnover of about 120 million ringgit. The company has a target of 480 million ringgit for when the factory is fully operational in 1993.

Synchotron Orbital Radiation Facility Launched

OW1311063691 Tokyo KYODO in English 0608 GMT 13 Nov 91

[Text] Kamigori, Hyogo Pref., Nov. 13 KYODO—The Japan Atomic Energy Research Institute and the Institute of Physical and Chemical Research launched a joint project Wednesday to construct Spring-8, billed as the world's largest synchrotron orbital radiation (SOR) facility.

The ground-breaking ceremony for the 110 billion yen project was held at a 141-hectare site in Kamigori, 25 kilometers northwest of Himeji, Hyogo Prefecture, western Japan.

The ceremony was attended by about 150 officials, including the Science and Technology Agency's parliamentary vice minister Hideo Futatsugi, Hyogo Governor Toshitami Kaihara, and the heads of both institutes.

Spring-8, scheduled for completion in 1998, will have a capacity of 8 billion electron-volts of kinetic energy, making it bigger than similar facilities which the United States and the European Community are constructing in Illinois and France, respectively.

The SOR involves a variety of rays ranging from far infrared radiation to x-rays, which are produced when electromagnetism bends the orbit of electrons accelerated to near the speed of light in the circular particle accelerator.

Scientists expect the SOR can be used in a variety of fields such as analysis of the structure of protein, development of new materials, and diagnosis of heart disease.

Tokyo Business Group Appoints Female Executives

OW1111122191 Tokyo KYODO in English 1126 GMT 11 Nov 91

[Text] Tokyo, Nov. 11 KYODO—The Tokyo Chamber of Commerce and Industry (TCCI) on Monday decided to appoint two female executives from the fashion industry to chair two of its departments, TCCI officials said.

Hanae Mori International Co. President Hanae Mori will be in charge of the TCCI's cultural activities, while Kiyoko Koizumi, president of Suzunoya Inc., a kimono chain store, will head the business lobby's public welfare division, the officials said.

The TCCI will formally make the appointments at its standing committee meeting scheduled for November 19.

It is the first time that female executives have been selected to leadership posts within a Tokyo-based business group.

The decision to name the two women followed remarks by Japan Chamber of Commerce and Industry Chairman Rokuro Ishikawa urging the organization to appoint female executives to its senior-level posts as soon as possible.

Tetsuo Fujimori, an adviser at Dai-Ichi Kangyo Bank, Kosaku Inaba, president of Ishikawajima-Harima Heavy Industries Co., Mitsui Taiyo Kobe Bank Chairman Yasuo Matsushita, and Lion Corp. President Atsushi Kobayashi were given three-year terms as vice chairmen.

Three of the newly appointed vice chairmen will replace Ryuzo Sejima, special adviser at C. Itoh and Co., Shuzo Muramoto, adviser at Dai-Ichi Kangyo Bank, and Sasaki Glass Co. Chairman Hideichi Sasaki.

Toray Industries Inc. Chairman Yoshikazu Ito, Jusco Co. Chairman Takuya Okada, Mitsubishi Corp. President Shinroku Morohashi, and Sony Corp. President Norio Ohga will remain in their present posts.

North Korea

Kim Il-song Receives Rwandan Delegation

SK1411112091 Pyongyang KCNA in English 1020 GMT 14 Nov 91

[Text] Pyongyang November 14 (KCNA)—The great leader President Kim Il-song today received the government delegation of Rwanda headed by Minister of Foreign Affairs and Cooperation Bizimungu Casimir on a visit to Korea. Vice-Premier and Foreign Minister Kim Yong-nam was on hand.

The head of the delegation conveyed to President Kim Il-song of the Democratic People's Republic of Korea a personal letter and a gift from President Habyarimana Juvenal of the Republic of Rwanda. President Kim Il-song expressed thanks for them and had a conversation with the guests in a warm and friendly atmosphere.

Kim Il-song Sends Greetings to Sihanouk

SK1411111291 Pyongyang KCNA in English 1029 GMT 14 Nov 91

[Text] Pyongyang November 14 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea today sent a message of greetings to His Royal Highness Samdech Norodom Sihanouk, president of the Supreme National Council of Cambodia, upon his return to the homeland.

The message says: Your return to the homeland, Samdech, is a fruition of your protracted struggle for the country and the nation and it is of importance in settling disputes in Cambodia and achieving peace and national reconciliation.

Believing that all groups of Cambodia under the leadership of the Supreme National Council of Cambodia headed by you will unite and build a unified, sovereign, independent, non-aligned, neutral new Cambodia, I sincerely wish you greater success in your noble cause.

Paper Criticizes U.S. 'Nuclear Hide-and-Seek'

SK1411110891 Pyongyang KCNA in English 1003 GMT 14 Nov 91

["Failures of U.S. 'Nuclear Hide-and-Seek' and Its New Scheme"—KCNA headline]

[Text] Pyongyang November 14 (KCNA)—NODONG SINMUN today carries a by-lined article headlined "Failure of U.S. 'Nuclear Hide-and-Seek' and Its New Scheme".

The article quotes the great leader comrade Kim Il-song as saying: "As long as nuclear weapons exist on the globe, the danger of a nuclear war will not disappear and mankind will not be able to avoid the nuclear threat".

The article further says: The United States has deployed its nuclear weapons in all parts of the world. The U.S. nuclear arsenals are found everywhere and the U.S. warships and military planes are loaded with nuclear arms and nuclear missiles and guns form thick woods.

Yet the United States pursues the policy of neither confirming nor denying the presence of nuclear weapons. This is, indeed, a crafty "nuclear hide-and-seek".

THE NEW YORK TIMES and the Brookings Institution in the U.S. announced the deployment of more than 1,000 pieces of U.S. nuclear weapons in South Korea. But the U.S. authorities have tried to conceal their criminal scheme against the Korean people by keeping mum about the presence of nuclear weapons and taking the stand of neither confirming nor denying it.

This tricky "nuclear hide-and-seek" has miscarried in South Korea, though. Recalling that U.S. President Bush announced the plan to remove tactical nuclear weapons from South Korea, the author continues: This means the United States openly admitted that it had deployed nuclear weapons in South Korea and resorted to nuclear threat and the policy of the United States which had woven a nuclear war plot behind the scene, neither confirming nor denying the presence of nuclear weapons, has come apart at seams.

No sooner had its old "nuclear hide-and-seek" failed than the United States launched into a new hide-and-seek. This finds graphic expression in the fact that Bush sharply understated the number of the nuclear weapons deployed in South Korea, as if they totalled some one hundred, when he announced the plan to remove the tactical nuclear weapons. This is a shameless distortion and fabrication and suggests that the United States intends to make a nuclear attack on us, concealing a large number of nuclear weapons in South Korea in the future, too.

It must not go unnoticed that the U.S. authorities continue blaring that the South Korean puppet traitors will remain under its "nuclear umbrella", while talking about the removal of nuclear weapons from South Korea.

It is a brigandish act for the United States to try to force nuclear inspection upon us with outcries over the "development of nuclear weapons" by us. This shows the sinister plot of the U.S. imperialists to find a pretext and chance to unleash a nuclear war against us. We will never tolerate the U.S. moves to force a unilateral nuclear inspection upon us. The United States should renounce the foolish "nuclear hide-and-seek."

Paper Criticizes Israeli Settlements in Golan

SK1411062891 Pyongyang KCNA in English 0434 GMT 14 Nov 91

["NODONG SINMUN Criticizes Israel's 'Settlement' Building"—KCNA headline]

[Text] Pyongyang November 14 (KCNA)—The Zionists built a Jewish "settlement" of 40 households in Golan Heights, an occupied area, some time ago and let out the provocative blast that this is a step taken to let the Syrians know the place where they should stand.

Commenting on this, a NODONG SINMUN analyst charges that this is prompted by their vaulting ambition for territorial expansion, their brigandish purpose of Israelising and annexing the Golan Heights for good by bringing more Jews to the area.

At the negotiations on Mid-East peace held for the first time ever since the outbreak of the Mid-East disputes, the delegates of Arab countries unanimously demanded that Israel stop building Jewish "settlements" in the occupied areas and quit there as an important way of solving the Mid-East problem, the commentary says, and goes on:

The building of new "settlements" by Israel in Golan Heights is an open challenge to this demand and a wrong act of laying on purpose obstacles in the way of the negotiations on Mid-East peace. Israel should immediately stop building Jewish "settlements" and quit all the Arab lands including Golan Heights it is illegally occupying. This is a fundamental requirement for a fair and sweeping peace in Middle East. The Korean people will invariably support the cause of the Syrian and other Arab peoples.

PRC Official Addresses Reception in Beijing

SK1311131991 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 8 Nov 91

[Text] In connection with the historic visit to the PRC by Comrade Kim Il-song, general secretary of the Workers Party of Korea [WPK] Central Committee and DPRK president, a friendship meeting with Chinese Foreign Ministry officials took place on 7 November at our country's embassy in China.

Chinese Foreign Ministry officials, including Xu Dunxin, vice minister, were invited to the meeting. Chu Chang-chun, our country's ambassador to China, and other embassy officials attended the meeting.

Our country's documentary film "Visit to China by the Great Leader Comrade Kim Il-song" first was shown at the meeting. Our country's ambassador and the Chinese vice foreign minister spoke at the reception which followed.

During his speech, the Chinese vice foreign minister said: President Kim Il-song is the WPK's and the DPRK's founder as well as the Korean people's great leader. The Chinese people highly respect him. During his visit to China, President Kim Il-song received a grand and warm welcome from the Chinese party, Government, and people and extensively exchanged views on bilateral relations and other important issues with Comrades Jiang Zemin, Yang Shangkun, and Li Peng and other Chinese party and Government leaders. He reached a consensus of views with these officials.

We are truly pleased with the fact that President Kim Il-song's visit to China ended with satisfactory results. This recent visit further developed mutual understanding, friendship, and cooperation between our two parties, countries, and peoples and added a new chapter in the history of our countries' relations.

The Chinese vice foreign minister went on to say: Chinese-Korean friendship has a firm basis and a brilliant historical tradition. It is deeply rooted in the hearts of the two countries' people. The Chinese people treasure a great deal the Chinese-Korean friendship that the two countries' leaders provided and nurtured. They will, as in the past, support the Korean people's cause of building socialism and their struggle to independently and peacefully reunify the fatherland. They will also make every effort to strengthen and develop the friendly relations between Korea and China.

The Chinese vice foreign minister concluded his speech by expressing his firm belief that the Chinese-Korean friendship, which has overcome the stern trials of history and has strong vitality, will be further strengthened and developed amid the warm considerations of the two countries' leaders.

The participants toasted the militant friendship and unity forged in blood between the people of Korea and China, the long life and good health of the great leader Comrade Kim Il-song, the long life and good health of the dear leader Comrade Kim Chong-il, and the long life and good health of respected Comrades Deng Xiaoping, Comrade Jiang Zemin, Yang Shangkun, and Li Peng. The reception took place in a warm and friendly atmosphere.

Political Bureau Member Meets PRC Delegation

SK1411054291 Pyongyang KCNA in English 0427 GMT 14 Nov 91

[Text] Pyongyang November 14 (KCNA)—So Yon-sok, member of the Political Bureau of the Central Committee of the Workers' Party of Korea [WPK], chief secretary of the South Pyongan provincial committee of the WPK and chairman of the South Pyongan Provincial People's Committee, met and had a friendly talk on November 13 with the Sichuan provincial delegation of heroes of the former Chinese People's Volunteers of China led by Xu Shiqun, alternate member of the Central Committee of the Communist Party of China and chief of the Secretariat of the Sichuan Provincial Committee of the CPC, now on a visit to South Pyongan Province.

Students Denounce Campus Suppression in South

Criticize 'Fascist' Behavior

SK1211063891 Pyongyang KCNA in English 0612 GMT 12 Nov 91

[Text] Pyongyang November 12 (KCNA)—The Korean Students Committee made public a statement Monday denouncing the military fascist clique's ever more intensified suppression of campus in South Korea.

The statement said that the No Tae-u ruling group has conducted a "mop up operation to stifle the students' movement at its initial stage since it announced a "result of investigation" into the "National Council of Student Representatives" (Chondaehyop) on July 26 and let the puppet Ministry of Education work out a detailed guide for campus stabilization "measures".

The "detailed guide" which was distributed to all universities and colleges consists of 36 articles to thoroughly bind students to a fascist discipline—to elect non activist students as cadres of student councils at university, and in case an activist student is elected, expel him from Chondaehyop, dissolve ideological circles at all universities and strictly control university gazettes.

The statement branded it as one more move for fascist suppression of campus to totally stamp out the just struggle of students for independence, democracy and reunification.

The Korean Students Committee strongly denounces the No Tae-u ruling group's measures for stabilizing campus as an unprecedented fascist repressive offensive to stifle campus by mobilizing university authorities and venal professors in suppressing the students' movement along with steps to suppress campus at the point of the bayonet.

The military fascist clique's step for suppression is nothing but a replica of the "campus stabilization law" which was brought forward by former dictators only to be thrown into a dustbin in face of strong opposition of students and people.

The statement expressed full support and encouragement to the South Korean students who are unyieldingly struggling for independence, democracy and reunification in defence of Chondaehyop against the fascist clique's suppression of campus.

The No Tae-u ruling group should clearly know that it can never hold in check the anti-U.S., anti-"government" action of the South Korean students by any violence and fascist "law", and immediately withdraw the criminal campus stabilization measures and unconditionally and immediately release all the illegally arrested students, the statement said.

Urge Government Action

SK1411055291 Pyongyang KCNA in English 0429 GMT 14 Nov 91

[Text] Pyongyang November 14 (KCNA)—A meeting of students was held at Kim Il-song university Wednesday to denounce the South Korean authorities' suppression of campus.

Speakers at the meeting said the No Tae-u ruling group, at the instigation of the United States, published "results of investigation" into the National Council of [University] Student Representatives (Chondaehyop) on July 26 and conducted a "total mop-up operation" against the student movement, carrying on a brutal search and arrest campaign for more than three months, which culminated in the distribution of a socalled "detailed guideline on measures for campus stabilization" through the "Ministry of Education" some time ago.

They condemned this as a fascist repressive move against campus, which is aimed at removing Chondaehyop, an independent student organization representing the one million students in South Korea, and totally destroying the just struggle of students for independence, democracy and reunification.

Noting that the South Korean students are dauntlessly fighting for campus autonomy, for anti-U.S. independence, anti-fascist democracy and for national reunification in the teeth of heinous colonial fascistization moves of the U.S. imperialists and the South Korean authorities, they extended full support and encouragement to the South Korean students who are waging a righteous, patriotic struggle, not yielding to any fascist suppression.

They strongly urged the South Korean authorities to immediately withdraw the criminal "campus stabilization measures" and unconditionally and promptly release all the unwarrantably arrested students, clearly mindful that they can never arrest the anti-U.S., anti-"government" struggle of South Korean students with any violence and fascist suppression.

KCNA Reviews 11 Nov NODONG SINMUN

SK1111084191 Pyongyang KCNA in English 0645 GMT 11 Nov 91

[Review of NODONG SINMUN]

[Text] Pyongyang November 11 (KCNA)—NODONG SINMUN today frontpages answers given by the great leader President Kim Il-song to the questions raised by the director of the Iwanami Shoten, Publishers of Japan.

Appearing in the daily is a message of greetings sent by Comrade Kim Il-song, general secretary of the Central Committee [C.C.] of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, to Jose Eduardo dos Santos, president of the MPLA-Workers' Party and president of the People's Republic of Angola, on the 16th anniversary of the independence of the country.

The daily carries a story about Yonggwang County, South Hamgyong Province, that has turned into a place good to live in under the wise guidance of the dear leader Comrade Kim Chong-il.

Foreign public figures said President Kim Il-song's China visit in October gave a great inspiration to the world people advocating independence, reports the daily. The econews of the daily includes a report about the drive for spreading fertile soil on paddy fields in the rural communities.

The daily informs the readers that the general secretary of the C.C., the Workers' Party of Switzerland met the DPRK ambassador to Switzerland, the president of the movement for the democracy of Cape Verde met a delegation of the Workers' Party of Korea and the DPRK ambassador to Tunisia paid a courtesy call on the general secretary of the C.C., the Tunisian Communist Party.

Entering November, the U.S. imperialists and the South Korean puppets simultaneously started military manoeuvres of various kinds against the North throughout South Korea including the joint military exercises "Eagle 91". In this regard, the daily runs a commentary saying that the war gamble of the warmaniacs can never be tolerated.

According to the daily, the association of Koreans in Japan for peaceful reunification released a statement denouncing the "Eagle 91".

It is reported in the daily that some 50,000 workers held a rally in Seoul for the abolition of the fascist labour law and the South Korean puppets committed aerial espionage in the air above the Demilitarized Zone in the eastern sector of the front.

The daily conveys public voices at home and abroad demanding the repatriation of old man Yi In-mo, former war correspondent of the Korean People's Army, to the northern half of the country.

The foreign news page of the daily includes reports that the Guinean committee for supporting Korean reunification was formed, Chinese party and state leaders elaborated on the police work and Cuba accused the United States of its attempt for "extraterritorial blockade".

NODONG SINMUN observes the 16th anniversary of Angolan independence.

It introduces economic achievements in Guinea, Mexico and Venezuela.

In an article the daily deals with the worldwide movement supporting the denuclearization of the Korean peninsula.

KCNA Reviews 12 Nov Pyongyang Press

SK1211071591 Pyongyang KCNA in English 0619 GMT 12 Nov 91

[Press review]

[Text] Pyongyang November 12 (KCNA)—Papers here today carry a photo-accompanied report that the great leader President Kim Il-song received the delegation of the Dominican Communist Party.

Papers report that the dear leader Comrade Kim Chong-il received a gift from the Central Committee of the Dominican Communist Party.

An article of NODONG SINMUN recounts how wisely President Kim Il-song and Comrade Kim Chong-il led the work to add shine to the long history of our nation and brilliant national culture.

Works of Comrade Kim Chong-il were studied and disseminated in foreign countries, report papers.

Papers say that the second-stage project of the tramway in Pyongyang is progressing fast and thrashing is being accelerated in all rural communities of the country.

NODONG SINMUN reports that the chairman of the Socialist Unity Party of New Zealand met a delegation of the Workers' Party of Korea and a Korean art and craft works exhibition was held in Namibia.

It is reported in papers that the withdrawal of the U.S. troops and their nuclear weapons is demanded and "Eagle 91" joint military exercises of the U.S. imperialists and the South Korean puppets are condemned in South Korea and the world public is demanding the return of old man Yi In-mo, a former war correspondent of the Korean People's Army, to the northern half of the country. Papers carry a statement of the Korean Students Committee denouncing all the more vicious suppression of campus by the South Korean authorities.

Papers give an account of the first contact between delegates for the fifth inter-Korean high-level talks. South Korean organisations criticized the "denuclearization declaration" published by No Tae-u and demanded the clarification of the presence of nuclear weapons of the U.S. forces and their withdrawal, and students of Konguk University in Seoul demonstrated against the "wartime host nations support agreement" between South Korea and the United States.

MINJU CHOSON comes out with a commentary denouncing the No Tae-u ruling group's malicious moves to stifle Chondaehyop [National Council of University Student Representatives] and the patriotic students movement.

NODONG SINMUN in an article deals with the powerful anti-U.S. struggle in South Korea for the withdrawal of U.S. troops and nuclear weapons.

The paper carries news that Comrade Fidel Castro declared the United States will never be able to occupy the Cuban island and he made a speech at a rally celebrating the 30th anniversary of the eradication of illiteracy, Cuba has completed the first-stage defence preparations nationwide, Vietnamese leaders visited China and that the Tunisian president called for a fair solution of the Palestinian problem.

NODONG SINMUN introduces achievements of the Chinese working people in the building of socialist economy.

Appearing in the paper is an article entitled "We Condemn Crimes of Japanese Imperialists During Their Brigandish Occupation of Korea" contributed by Prof. and Dr. Pak Si-hyong who is an academician. In his article he urges Japan to clarify the crimes committed by Japan during her occupation of Korea, officially apologize and fully compensate for them. Only then can the way be paved for the normalization of Korea-Japan diplomatic relations, he said.

Radio Views Issue of Peace on Korean Peninsula

SK1111052791 Pyongyang Korean Central Broadcasting Network in Korean 0019 GMT 9 Nov 91

[NODONG SINMUN 9 November "special article": "The Issue of Peace on the Korean Peninsula Is a Pressing Task To Be Resolved on a Priority Basis"]

[Text] The issue of guaranteeing a durable and solid peace on the Korean peninsula today is the most pressing task and should be resolved on a priority basis by the North and the South. The issue of peace on the Korean peninsula is an important issue in rescuing the nation from the danger of nuclear war and achieving peaceful reunification.

The great leader Comrade Kim Il-song has taught: If war breaks out in our country, where the danger of war always hangs heavily, the nation's very existence, never mind the reunification of the fatherland, will be in danger.

At this time on the Korean peninsula, the North and South are facing one another across the Military Demarcation Line with massive armed forces. This is why the situation here is always tense. The danger of war, moreover, is being increased at every moment, because the U.S. imperialists who occupied South Korea by force are increasing their armed forces in South Korea along with the puppets, and are accelerating their preparations for the war to invade the North.

As already exposed, the United States occupied South Korea by force and turned South Korea into a military base with the intention of invading the whole of Korea and the Asian continent. Furthermore, the United States had already brought about the disaster of war as early as the fifties.

To say nothing of their refusal to withdraw from South Korea after the war, the U.S. imperialists further dragged in approximately 1,000 nuclear weapons and defamed South Korea by turning it into an advance nuclear base. They systematically held war exercises with the puppets, including the "Team Spirit" joint military exercise, thus finishing their preparations to invade the North through a nuclear attack.

The United States is talking about some kind of strike as a punishment toward the North and so on, and is running amuck to find an excuse to provoke a war by making the 120-day war plan. The U.S. imperialists are spreading false propaganda on the nonexistent nuclear development by the North and are making the heads of the puppet military rave openly about a surprise attack on the North and about choosing military action. Also, the fact that the large-scale Eagle-91 war exercise is being carried out with the puppets' participation clearly shows that the rascals have reached an indiscriminate stage in the madness to invade the North.

U.S. nuclear weapons are deployed in South Korea and when bellicose elements in the United States and South Korea are openly discussing their use. At a time like this, if war breaks out on the Korean peninsula, there is no doubt that it will escalate to a nuclear war. There is nothing more valuable and important as peace for our fellow countrymen who are living amid the danger of a nuclear war that could break out at any time. Preventing the danger of a nuclear war and guaranteeing peace on the Korean peninsula is a matter of life or death task to defend the nation's peace.

The issue of peace on the Korean peninsula is an indispensable and important issue in promoting reconciliation and unity between the North and South and to achieve the nation's reunification peacefully. Because the North and South are currently facing off militarily, they are feeling apprehensive that one side might make a strike on the other. Also, because of this kind of mistrust, this face-off amounts to a stumbling block in realizing the nation's reconciliation, unity, and reunification.

The South Korean authorities are saying that establishing trust must be achieved first and that North-South relations must be normalized, but this issue is also completely dependent upon how the issue of peace is resolved. It is clear to everyone that trust cannot be achieved if both sides carry a dagger in their bosoms, and that improvement in relations cannot be achieved if both sides take aim at one another with a rifle. Resolving the issue of peace is indeed the best way to establish trust, and offers a short cut to normalizing North-South relations and resolving the issue of reunification through dialogue.

Our party and the government of the Republic are giving priority to realizing the issues of peace and the military on the Korean peninsula, and have repeatedly put forth the most just and rational peace policies. The guiding ideology of all the policies of our Republic is the chuche idea. This chuche idea originally demands that all thinking be centered around the people and that all things serve the people. Therefore, all our policies will consistently be people-centered and peace-loving.

We oppose war, which mercilessly kills the popular masses who are the chuche of history and which brings about innumerable disasters to them. We only love peace.

Peace policies, such as concluding a peace treaty, adopting a nonaggression declaration, and achieving arms reduction, which we proposed to the South Korean authority and the U.S. side recently, are proof of our sincere efforts to prevent war and guarantee peace on the Korean peninsula.

During the fourth round of North-South high-level talks which took place in Pyongyang last October, we urged once again that the current pressing peace issues that must be resolved such as the issue of the denuclearization on the Korean peninsula and the issue of nonaggression must be resolved urgently.

The situation at home and abroad gives an advantageous possibility in resolving the peace issue on the Korean peninsula. Our fellow countrymen of the North, South, and overseas are raising the voice of peace and are strongly demanding that the U.S. forces and its nuclear weapons be withdrawn from South Korea as soon as possible, that it give a definite promise for North-South nonaggression, and that it realize arms reduction. Arms reduction and peace movements are emerging in the international arena as well. For example, the United States and the Soviet Union have announced their proposal for the abolition and reduction of tactical nuclear weapons.

The most rational proposals that we put forth during the fourth round of North-South high-level talks, which give the issue of peace substantial significance, resolve without delay the issue of peace on the Korean peninsula, which is put forth as a mature demand whether this is viewed from the nation's desire or international trend, and reflects the patriotic position of trying to open a wide road for peaceful reunification.

The most pressing task in resolving the issue of peace on the Korean peninsula is to realize the denuclearization on the Korean peninsula. From the first time the U.S. imperialists started to drag their nuclear weapons into South Korea, we strongly opposed this and called for the realization of the denuclearization of the Korean peninsula. Therefore, in the fourth round of North-South high-level talks, we proposed that the North and South adopt a declaration of denuclearization on the Korean peninsula, and put forth the draft of the declaration to the South side and urged the South side to agree to the declaration and adopt it.

Nevertheless, the South neither denied nor confirmed the presence of U.S. nuclear weapons in South Korea even after the United States admitted to the deployment of nuclear weapons in South Korea. The South also made preposterous remarks when it spoke of the North's nonexistent nuclear development, which an attempt to evade the discussions on the denuclearization issue, and was even trying to put the blame on us by saying we must submit to nuclear inspection.

For the South to drag U.S. nuclear weapons into its land—an act which the whole world opposes—and for not even being able to say whether nuclear weapons have been deployed are shameful acts that can be committed only by nation-sellers and puppets who are living under the control of the imperialist aggressors .

The South Korean authorities are saying that they cannot agree to the withdrawal of U.S. nuclear weapons deployed in South Korea and that they must continue to be under the U.S. nuclear umbrella. Also, for them to talk about the need for the North to receive nuclear inspection is a brigandish sophistry representing the position of the United States as well as treasonous gibberish that reveals the attempt to carry out a war of genocide toward our fellow countrymen with foreign nuclear weapons.

To guarantee peace on the Korean peninsula, the North and South must agree to nonaggression and achieve arms reduction, which we continue to claim. The South, however, is also taking the wrong attitude toward this issue. In the fourth round of North-South high-level talks, the South agreed to include the issue of nonaggression in a document of agreement due to our strong demand, but the South created a barrier in adopting a document of agreement by putting forth a bizarre excuse.

During the North-South high-level talks, the South said that, even though nonaggression has been promised, as it is not trustworthy, it repeated its original position of the need to take measures of some kind of confidence-building first. Also, when the South delegation returned to Seoul it openly raved about this matter even more. This is the same as saying that it cannot adopt a document of agreement in which the issue of nonaggression is included.

Promising nonaggression, as we have repeatedly stressed, is not a matter that comes after confidence-building, but is itself the starting point of confidence-building and constitutes its most basic guarantee. For the South Korean authorities to put forth the confidence-building measure merely involves notification about military exercises and the exchange of information. The most pivotal arms reduction measures are not included.

How can nonaggression be guaranteed and confidence-building be achieved just because one side notifies the other side when it holds exercises and information is exchanged? Moreover, how can nonaggression be guaranteed and confidence-building achieved if armed forces are not reduced to the degree that the one side cannot attack the other side, and if the current armed forces are left as they are? The South's claim aims nothing but to maintain military confrontation behind the facade of confidence-building.

To completely resolve the peace issue on the Korean peninsula, a peace agreement must be concluded between the DPRK and the United States, and the issue of withdrawing U.S. forces from South Korea must be resolved. The danger of war cannot be removed from the Korean peninsula while the United States is stationing its aggression forces in South Korea, and is holding the prerogative of command over the South Korean puppet army.

The South Korean authority is also taking the wrong position on this matter. This can be seen in the recent issue of replacing the Armistice Agreement by a South-North peace treaty, which the South Korean authorities are heatedly claiming.

As the whole world knows, the Armistice Agreement was concluded with us on the one side and the United States representing the U.N. forces on the other.

For the South Korean authority to make itself the party concerned with replacing the Armistice Agreement with a peace treaty—even though it is not a signatory to the Armistice Agreement—is a presumptuous act. Moreover, the South Korean ruling bunch is turning over the puppet army's prerogative of command to the United States and is begging for the United States' military protection, that is the protection of the nuclear umbrella.

Even though a peace treaty is concluded with those who are being protected, how can this be a guarantee in defending peace? The reason the South Korean puppets are saying that the Armistice Agreement must be replaced by the South-North peace treaty is nothing but a crafty trick to block the concluding of a peace treaty and the confirmation of nonaggression and to keep the U.S. occupation forces in South Korea.

In less than ten days after the fourth round of North-South high-level talks ended, the South Korean authorities along with the United States held the large-scale Eagle-91 military exercise aimed at carrying out a surprise attack on the northern half of the republic. This revealed their ill-natured intention.

Only peace on the Korean peninsula can guarantee the nation's peace; provide a road for peaceful reunification; and contribute to peace in Asia and the rest of the world. The South Korean authorities must accept our peace proposal instead of paying lip-service to peace, and thus effect a switch over in their policy toward actually realizing peace on the Korean peninsula.

South Korea

No Tae-u Holds Talks With U.S. Secretary Baker

SK1411075291 Seoul YONHAP in English 0712 GMT 14 Nov 91

[Text] Seoul, Nov. 14 (YONHAP)—President No Tae-u and U.S. Secretary of State James Baker agreed

Thursday that their countries should work closely with each other to force North Korea to abandon its nuclear weapons program.

The agreement came when Baker called on the president at Chongwadae Thursday afternoon. Baker is in town to attend the third ministerial conference of the Asia-Pacific Economic Cooperation.

At the meeting, No noted that the so-called two-plus-four formula or the six-nation conference was the method that helped two Germanys unite, according to presidential spokesman Yi So-chong.

But No said that a conference among the United States, the Soviet Union, Japan and China in addition to two Koreas as proposed by Baker would not work in Korea because the situation here is basically different from that in Germany, the spokesman said.

Baker said he understood Korea's position but the United States has been studying the possibility of holding such a conference as part of its efforts to bring all concerned nations together to stop Pyongyang from developing nuclear weapons, Yi said.

The United States will continue to work with the Soviet Union, Japan and China individually and multilaterally to tackle the problems related to the North Korean nuclear program, Baker said. The U.S. official said Washington, however, would never seek to negotiate with Pyongyang bilaterally over the problems.

Baker reaffirmed the United States' commitment for the security of South Korea despite recent changes in world order, Yi said.

Baker also said the postponed visit to South Korea by U.S. President George Bush will be realized at an early date, the spokesman said.

Cabinet Approves Host Nation Support Accord

SK1411103091 Seoul YONHAP in English 0853 GMT 14 Nov 91

[Text] Seoul, Nov. 14 (YONHAP)—The South Korean cabinet Thursday approved the Wartime Host Nation Support Agreement initialled between Seoul and Washington in July.

Under the agreement, Washington will reinforce U.S. forces on the Korean peninsula in the event of a crisis, hostilities, or war, and Seoul will provide military and civilian resources, and assistance, for the reception, onward movement and sustenance of U.S. forces.

The agreement will be signed by the defense ministers of both countries at the 23rd Security Consultative Meeting, opening in Seoul on Nov. 21, and will go into effect after parliamentary ratification.

The Defense Ministry said the agreement would not be applied in ordinary times and that it would not put any additional burden on Korea, but critics say it uses ambiguous terms concerning the times of application that may serve as ground for U.S. demands for construction of roads and airports for military use and for storage of ammunition and other war needs.

Dailies View President No's Nuclear Policy

SK1211151691

[Editorial Report] South Korean vernacular newspapers on 8, 9 November carry editorials on President No Tae-u's 8 November declaration of a nuclear-free ROK.

TONG-A ILBO on 8 November, evening edition, on page 2, carries a 1,000-word editorial headlined "The Principle of the Declaration for a Nuclear-Free Korean Peninsula—North Korea Should Abandon Its Nuclear Fuel Reprocessing Facilities."

Describing "President No's declaration for the denuclearization of the Korean peninsula as an indication of the fact that the ROK's nuclear policy has been formulated," the paper says: "Despite the nuclear threat from North Korea it has faced until now, the ROK has had no nuclear policy. So, South Korea has been on the defensive in terms of the nuclear issue."

The editorial continues: "North Korea, which has long insisted on denuclearizing the Korean peninsula, may fault President No's declaration on the grounds that it fails to mention an objection to the introduction of nuclear weapons; North Korea demands that even the nuclear umbrella be removed."

In rebutting that argument, the editorial says that "the issue of banning the introduction of nuclear weapons and removing the nuclear umbrella is by nature one to be discussed in multiparty international talks to hammer out an agreement among the nuclear powers."

Stating that "North Korea has no reason whatsoever to object to the declaration of the denuclearization of the Korean peninsula," the editorial says, "because the instant North Korea abandons its nuclear development project, it can be protected under the nuclear umbrella."

The editorial continues: "To turn the Korean peninsula into a nuclear-free zone and a safe place free from nuclear attack, sources that can be used for producing nuclear weapons should be eliminated. In this context, it is very significant that President No in the declaration called on North Korea to abandon its nuclear fuel reprocessing and enrichment facilities. North Korea's nuclear issue can be settled only when it has abandoned the nuclear reprocessing facilities and has agreed to nuclear inspections. The issue will not be resolved simply because North Korea agrees to international inspections of its nuclear facilities."

In concluding, the editorial urges Japan "to join in our call for North Korea to remove the nuclear fuel reprocessing and enrichment facilities," warning that "if Japan ignores such international pressure, it runs the risk of causing serious diplomatic feuds not only with the ROK but also with the United States."

The editorial declares: "The only way left for North Korea is to accept the declaration for the denuclearization of the Korean peninsula and agree to international inspections of its nuclear facilities without delay."

The conservative CHUNGANG ILBO on page 3 of its 8 November edition carries a 1,000-word editorial under the heading "A Giant Step Has Been Made in the Direction of Denuclearizing the Korean Peninsula." The editorial says that "President No Tae-u's declaration for the denuclearization of the Korean peninsula is significant, as it reflects a policy-oriented intention to provide a new turning point in South-North talks. At the same time it accepts North Korea's call for turning the Korean peninsula into a nuclear- free zone."

The editorial continues: "The fact that President No has promised to abandon the nuclear fuel reprocessing and enrichment facilities, which are vital in using nuclear energy, can be said to be an expression of an ardent desire to keep the peaceful system, even at the cost of having to give up the economic and technological advantages that can be made in this area."

Hoping that "North Korea would take a step equivalent to our declaration for the denuclearization of the Korean peninsula, namely an agreement on international inspection of its nuclear facilities," the editorial says: "To call for denuclearizing the Korean peninsula and even for the removal of the nuclear umbrella is not desirable in view of long-term national interests."

The editorial says: "Turning the Korean peninsula into a nuclear- free zone is meaningless, given the fact that such major neighboring countries as China and the Soviet Union are armed with nuclear weapons. The removal of the U.S. nuclear umbrella does not necessarily means the elimination of the potential nuclear threat from China and the Soviet Union. We would like to stress the contradictory fact that under the present circumstances, we need the U.S. nuclear umbrella, if only for the sake of North Korea's own safety, if for no other reason than that."

The conservative CHOSON ILBO on page 3 of its 9 November edition carries a 1,000-word editorial headlined "The Nuclear-Free Declaration and North Korea's Choice."

Noting the significance of President No Tae-u's declaration for the denuclearization of the Korean peninsula, the editorial says: "It is true that the ROK has not been able to confirm nor deny the presence of the nuclear weapons in its territory in that it had to respect the U.S. nuclear policy, known as the neither confirm nor deny policy."

The editorial says: "Now, we are relieved. What has become clear in the wake of the president's declaration for the denuclearization of the Korean peninsula is that the 'fighting power based on conventional weapons is enough to deter North Korea's provocation of war as long as the ROK and the United States maintain close security relations.'"

Stating that "what now matters is North Korea's choice," the editorial says: "We know that the presence of U.S. troops in South Korea, including U.S. nuclear weapons, have provided justification for North Korea's nuclear development. Now, however, such a papering-over strategy cannot work any longer." Then, the editorial says: "If North Korea persists in its nuclear development project and refuses to agree to international inspections, it runs the risk of turning not only 'South Korea', but also the major neighboring countries against it."

HANGUK ILBO on page 2 of its 9 November edition carries a 1,000- word editorial headlined "It Is Hoped That North Korea Will Take a Corresponding Step—The Nuclear-Free Declaration Has Brought an End to the Controversy."

After urging North Korea to take a corresponding step, the editorial says: "The only step left for North Korea is to respect the duty it bears as a signatory to the Nuclear Nonproliferation Treaty and to agree to nuclear inspections by the International Atomic Energy Agency." Touching on North Korea's call for the removal of even the U.S. nuclear umbrella, it says: "The 'nuclear umbrella' is not a military issue but a political issue."

KYONGHYANG SINMUN on page 3 of its 9 November edition carries a 1,000-word editorial under the heading "It Is North Korea's Turn To Declare Itself Nuclear-Free." Noting the significance of President No's declaration for the denuclearization of the Korean peninsula, the editorial says: "It is particularly significant that our country has declared that it would not own any nuclear fuel reprocessing and enrichment facilities. This, in turn, is diplomatic pressure on North Korea to stop producing nuclear weapons."

The editorial continues to note the economic cost of North Korea's nuclear development project, saying: "If North Korea does not renounce its nuclear development project, it will become even more isolated and its economic crisis will only worsen."

After rebutting North Korea's call for the elimination of the U.S. nuclear umbrella, the editorial says: "North Korea's call as such is a point-blank denial of the dictates of the Nuclear Nonproliferation Treaty." The editorial continues to note the fact that if it abandons its nuclear development project, North Korea would naturally come under the protection of the nuclear umbrella, as it has signed the Nuclear Nonproliferation Treaty.

SEOUL SINMUN on page 2 of its 9 November edition carries a 1,500- word editorial headlined "The Nuclear-Free Korean Peninsula—President No Tae-u's Declaration of the Denuclearization."

The editorial says: "Now that we have declared the denuclearization of the Korean peninsula, North Korea has no justification to keep developing nuclear weapons," noting the economic sacrifice that North Korea has to bear in order to keep working on the nuclear development project.

PRC's Qian Qichen Meets Officials, Businessmen

Meets Foreign Minister Yi Sang-ok

SK1411021091 Seoul KBS-1 Radio Network in Korean 0130 GMT 14 Nov 91

[Text] Foreign Minister Yi Sang-ok held talks with Chinese Foreign Minister Qian Qichen this morning. They both believe that contacts between the two countries should be expanded and that the issue of the Korean peninsula should be resolved at the initiative of the North and South Korean authorities.

Today's talks were the second since the UN General Assembly in September. The two foreign ministers were of the same opinion that practical and substantive progress has been made in ROK-China relations, including the economic sector. They agreed to expand contacts between two countries based on such progress.

During today's talks, Foreign Minister Yi Sang-ok asked the Chinese side to persuade North Korea to accept nuclear inspection by the International Atomic Energy Agency and to abandon the development of nuclear weapons.

Foreign Minister Qian Qichen replied that China affirmatively appraises President No Tae-u's denuclearization declaration and that China is also greatly concerned with North Korea's nuclear question. However, he was reported to have expressed his position that sanctions against North Korea should be taken prudently.

Supports No Tae-u Declaration

SK1411024491 Seoul YONHAP in English 0203 GMT 14 Nov 91

[Text] Seoul, Nov. 14 (OANA-YONHAP)—The South Korean and Chinese foreign ministers, saying Seoul-Beijing relations were developing "realistically and diligently," agreed Thursday to further expand bilateral contacts.

Chinese Foreign Minister Qian Qichen expressed support for President No Tae-u's declaration of a nuclear-free Korea but he did not specifically say if China would use its influence to deter North Korea from developing nuclear weapons, a South Korean spokesman told a news briefing following the two foreign ministers' meeting over breakfast.

It was the second meeting for Qian and South Korean Foreign Minister Yi Sang-ok, who are attending the third ministerial conference of the Asia-Pacific Economic Cooperation (APEC). They met first at the United Nations on Oct. 2.

"The two foreign ministers shared the view that Seoul-Beijing relations in economic and other areas were developing realistically and diligently and agreed to widen the scope of bilateral contacts," said Kim Suk-u, director-general of the Foreign Ministry's Asian Affairs Bureau.

Explaining No's declaration of a nuclear-free Korea, Yi said North Korea should reciprocate. Qian said he evaluated No's declaration as positive but did not specifically comment on North Korea, Kim said.

"China certainly has keen interest in North Korea's nuclear development but is very cautious in its reaction," he said.

Kim would not go into detail, saying South Korean and Chinese officials "discussed the contents of their briefings and agreed to contain the contents at certain level."

Yi explained the progress of South-North Korean dialogue and said problems involving the Korean peninsula should be solved principally by the two sides.

This remark was apparently in response to a proposal by U.S. Secretary of State James Baker that the two Koreas, the United States, the Soviet Union, China and Japan engage in multilateral talks on issues concerning the Korean peninsula.

Qian responded that he agreed with Yi, Kim said.

The Chinese foreign minister expressed his appreciation for South Korea's support for China's membership in APEC and Yi said in response he hoped it would strengthen cooperation in the Asia- Pacific region.

'Passive' to Baker '2 + 4 Plan'

SK1411082291 Seoul YONHAP in English 0738 GMT 14 Nov 91

[Text] Seoul, Nov. 14 (OANA-YONHAP)—Chinese Foreign Minister Qian Qichen made a passive response Thursday to the U.S. proposal for two-plus-four talks on Korean issues, saying South and North Korea should solve their problems themselves while others gave assistance in the background.

Qian downplayed his meetings with South Korean President No Tae-u and Foreign Minister Yi Sang-ok, saying he met them only in their capacity as leaders of the host nation of the ministerial conference of the Asia-Pacific Economic Cooperation (APEC).

"We discussed issues relating to the work of APEC. We also discussed other issues of major interest. But this time we had not covered the issue of establishing diplomatic relations," Qian told a news conference.

He did not comment on North Korea's nuclear program but said Beijing's position remained that it did not want nuclear weapons on the Korean peninsula.

Qian is China's chief delegate to the Tuesday-Thursday [12-14 November] APEC meeting. South Korea and

China do not have diplomatic ties, but Qian met with No privately on Tuesday and had an hour-long breakfast meeting with Yi Thursday.

"I think mainly it is up to North and South Korea to engage in discussions and try to find solutions when it comes to the issues involving the Korean peninsula," Qian said when asked his opinion on the U.S. proposal for two-plus-four talks. "Other parties can only render assistance.

"I came here to attend APEC. So naturally I had some meetings with the foreign minister and the president of the host nation," he said, refusing to comment on normalization of Seoul-Beijing ties.

The position of the Chinese Government was "very clear" on nuclear issues on the Korean peninsula, Qian said.

"We do not hope to see the existence of any nuclear weapons on the Korean peninsula. We hope to see the parties concerned engage in effective consultation for us to find the solution to this problem," he told reporters.

"We do not wish to see any international pressure," he said in reference to reports that the global community is prepared to put pressure on North Korea to accept outside inspection of its nuclear facilities.

On Taiwan's membership of the General Agreement on Tariffs and Trade (GATT), Qian said: "It goes without saying" that China "is the sole legitimate government" and should join GATT first.

Asked if China would block Taiwan's entry to international organizations other than APEC, Qian said simultaneous membership was in line with APEC's statutes.

"This is not applicable to all international organizations," he said.

Qian said he was optimistic about meeting with U.S. Secretary of State James Baker and Baker's visit to China was significant.

"I am optimistic about the prospect of our reaching significant improvement in our relations," he said.

Denies Secret Trip to DPRK

SK1411094691 Seoul KBS-1 Radio Network in Korean 0900 GMT 14 Nov 91

[Text] Chinese Foreign Minister Qian Qichen said the Chinese Government's clear-cut stand is that there should not be any nuclear weapons on the Korean peninsula and that the nuclear issue between the South and North should be resolved between the two sides, not as a result of international pressure.

Foreign Minister Qian Qichen said the above at a news conference with domestic and foreign reporters this afternoon at the Shilla Hotel's VIP hall. He said U.S. Secretary of State Baker's proposal for talks among six Northeast Asian countries to curb North Korea's nuclear development, too, should not avoid the principle of the South and the North settling the issue themselves with assistance enlisted from other countries.

Commenting on the report that he had made a secret trip to Pyongyang, Foreign Minister Qian Qichen officially denied it, saying the Japanese side understood and reported it incorrectly.

When asked why China is delaying the establishment of diplomatic relations with the ROK even after it endorsed the ROK's entry into the United Nations, Foreign Minister Qian Qichen said that these are essentially two separate issues. However, he stressed the fact that he had met President No Tae-u and Foreign Minister Yi Sang-ok during the Asia-Pacific Economic Cooperation [APEC] Conference, thereby hinting that the two countries had seriously discussed ways to improve their relations.

Foreign Minister Qian Qichen highly assessed the APEC ministerial meeting in that all the participating states showed profound concern about the Uruguay Round negotiations and adopted a declaration on that subject, stating that the significance of the conference is that China, Taiwan, and Hong Kong have been admitted.

Meets Party Leader, Supports S-N Contact

SK1411093491 Seoul YONHAP in English 0921 GMT 14 Nov 91

[Text] Seoul, Nov. 14 (YONHAP)—Chinese Foreign Minister Qian Qichen said Thursday that China would continue to support inter- Korean contact and exchange.

Meeting Pak Tae-chun, co-chairman of the ruling Democratic Liberal Party [DLP], Qian said that China wanted stability and peace to be maintained on the Korean peninsula and this was important not only to both Koreas but to their neighbors.

He said he hoped the inter-Korean prime ministers' talks would bear fruit in that direction and China would continue to support the talks.

On the Seoul-Beijing relations, Qian told Pak that economic exchanges between South Korea and China were becoming a foundation for bilateral political relations.

Pak stressed the need for parallel development of economic and political relations.

Qian said relations between South Korea and China had changed since World War II and that "history is the past and we should do more work for the future."

Qian also expressed hope for expanded cooperation with South Korea to develop China's steel industry and Pak said it was necessary to sign an investment guarantee accord to promote economic cooperation.

Also at the meeting were Rep. Pak Chong-su, chairman of the National Assembly Foreign Affairs Committee, and Xu Dayou, head of China's trade representative office in Seoul.

Meets Samsung Chairman

SK1411022191 Seoul THE KOREA TIMES in English 14 Nov 91 p 6

[From "APEC Sidelights" column]

[Text] Chinese Foreign Minister Qian Qichen yesterday met Sin Hyon-hwak, chairman of the Samsung Co. to discuss ways of promoting investment by Korea's leading conglomerate in China.

In the meeting over lunch at Hotel Shilla, Sin was accompanied by five executives of the Samsung Electronics Co. and the Samsung Heavy Industries Co.

Currently, the Samsung Group makes no major investment in China, except its 19 percent share in a Chinese local color TV manufacturer, according to an official at the Overseas Investment Department of the Bank of Korea.

The meeting was unannounced by both sides.

During his three-day stay in Seoul to attend the Asia-Pacific Economic Cooperation Ministerial Meeting, Qian had official talks with President No Tae-u, and his Korean and Japanese counterparts Yi Sang-ok and Michio Watanabe.

It is notable that Qian, the first highest official of the People's Republic of china to make a visit to Korea, met with the head of a leading business group.

Meets Business Leaders

SK1411124691 Seoul YONHAP in English 1230 GMT 14 Nov 91

[Text] Seoul, Nov. 14 (YONHAP)—Chinese Foreign Minister Qian Qichen discussed joint ventures and inter-Korean economic cooperation with a couple of South Korean business leaders during his stay here Nov. 12-14, informed Korean sources said Thursday.

The sources said Qian met with Ku Cha-kyong, chairman of the Lucky-Goldstar group, and Kim U-chung, Daewoo group chairman, separately Thursday. The highest Chinese official ever to visit South Korea, Qian headed the Chinese delegation to the third ministerial meeting of the Asia-Pacific Economic Cooperation closed Thursday.

The sources said Li Lanqing, Chinese minister of foreign economic relations and trade, accompanied Qian when he met with the leading Korean industrialists.

Chinese sources confirmed the secret get-togethers but asked not to "attach special meaning" to those brief meetings.

South Korea and China do not have diplomatic relations, but bilateral trade is expanding rapidly. The two-way trade stood at 188 million U.S. dollars in 1980 but snowballed to 3.82 billion dollars in 1990. During the first nine months of this year, the volume stood at 4.12 billion dollars.

Korean Trade and Industry Minister Yi Pong-so and Li, in their meeting Wednesday, decided to sign a trade agreement before the end of the year to further expedite trade and promote bilateral economic exchanges.

A Daewoo spokesman said Chairman Kim and Chinese ministers talked about forming joint venture factories of freezers, tents and cement.

Minister Expects World Pressure on North

SK1111050891 Seoul YONHAP in English 0444 GMT 11 Nov 91

[Text] Seoul, Nov. 11 (YONHAP)—Foreign Minister Yi Sang-ok predicted Monday that international pressure on North Korea's fast-moving nuclear development program would grow because of the overwhelming support of the global community for president No Tae- u's declaration of a nuclear-free Korea last week.

North Korea, which refuses to open its nuclear facilities to outside inspection but demands the removal of U.S. nuclear arms from the South, had neither reason nor justification for its obstinacy any longer as a result of No's nuclear initiative, Yi told the National Assembly Foreign Affairs Committee.

Seoul would consult with Washington on implementation of No's nuclear policy in the not-distant-future, he said.

The U.S. commitment to Korea's security would remain unchanged regardless of the declaration and Korea would be protected by the U.S. nuclear umbrella, Yi said.

After his inauguration, Japanese Prime Minister Kiichi Miyazawa reaffirmed Japan's basic position that Tokyo-Pyongyang normalization should take into account the North's nuclear development program and inter-Korean dialogue, he said.

Foreign Minister Michio Watanabe also considered the North's nuclear project a major stumbling block to normalization of ties with Pyongyang, Yi said.

Seoul To Propose Economic Zone at N-S Talks

SK1111121591 Seoul HANGUK ILBO in Korean 5 Nov 91 p 1

[Text] It was learned on 4 November that at the North-South high-level talks expected to be held in Seoul next month, the government is planning to propose to the North side that it allow the South's businesses producing daily necessities such as textiles, shoes, and chemical materials to export their production machinery to the North officially.

Recently some domestic conglomerates unofficially sent their employees of ROK nationality to Pyongyang via Beijing. They are promoting joint ventures so that they can send machinery to produce refined oil and daily necessities, such as toothpaste and sewing items. It was learned that five to six projects are in the last stages of completion.

Along with this, the government also plans to actively support North Korea's plan for developing the Sonbong district as an economic trade zone. During the upcoming North-South high-level talks, it will propose that an economic zone be established aimed exclusively at North-South joint ventures around the west seashore of the DMZ around Panmunjom.

A high-ranking government source revealed: "Recent moves by some conglomerates to export their light industry production machinery to North Korea are nearing completion. The government plans to propose this matter officially to North Korea at the upcoming fifth round of North-South high-level talks."

This source said: "Since businesses in light industries, such as textiles and shoes, are suffering from labor shortages and high wages, it is judged that these businesses are actively attempting to export to North Korea. The main reason for this is that these businesses are in the position of having to sell production machinery inexpensively to Thailand, Bangladesh, and Indonesia."

This source added: "Judging from the fourth round of North-South high-level talks, it seems that in whatever form the North and South reach a public agreement in the upcoming Seoul talks, there is a need to make official the current ongoing moves to export production machinery for light industry products, moves that are now being conducted unofficially."

The government also plans to propose that an economic zone be established exclusively for the use of North and South Korea aimed at promoting joint ventures in the DMZ. It was learned that the likeliest place will be the west seashore around Panmunjom.

Japan To Increase Cooperation at GATT Talks

OW1411025091 Tokyo KYODO in English 0237 GMT 14 Nov 91

[Text] Seoul, Nov. 14 KYODO—Japan and South Korea, both strongly opposed to rice imports, agreed Thursday to work closely and exchange views at the current global trade talks, a Japanese Government official said.

Japanese Minister of International Trade and Industry [MITI] Kozo Watanabe and his South Korean counterpart, Yi Pong-so, also agreed to hold regular talks with trade officials from other nations to discuss a wide range of issues, including a widening bilateral trade surplus.

The official quoted Yi as saying that South Korea, which shares Japan's position on the rice trade, wants to deepen talks with Tokyo to negotiate their respective positions for the current Uruguay Round of multilateral trade talks.

Watanabe replied positively to Yi's proposal, which the MITI minister described as meaningful for the resolution of the rice issue, the official said.

Both Japan and South Korea have banned foreign rice imports saying they want to protect domestic farmers, and the two nations have come under growing pressure from other major countries who are moving to make farm trade reform concessions in order to bring the five-year-old round of talks to a successful conclusion.

The official said Yi also proposed that Japan attend a regular trade ministerial meeting between Japan and South Korea, most likely beginning next spring.

During the hour-long discussion, Yi also raised the issue of Japan's surging trade surplus, which is expected to set a new record in 1991 since figures from the first nine months topped the 5.75 billion dollar figure from the previous year.

Noting that the imbalance stems in part from "structural" problems such as a South Korean need to purchase high-quality Japanese capital goods, Yi called on Japan to lower tariffs in order to boost its import of South Korean goods like sports shoes, textiles, and petrochemical products.

Ban on Contacts With South Africa Partly Lifted

SK0911004891 Seoul YONHAP in English 0029 GMT 9 Nov 91

[Text] Seoul, Nov. 9 (OANA-YONHAP)—South Korea announced Saturday the easing of a ban on "people's exchanges" with South Africa, allowing visits for tourist, commercial, cultural and sports purposes.

Considering the country's progress to end apartheid and the lifting of exchange restrictions by other countries, South Korea was ready to allow peoples' visits, the Foreign Ministry said.

South African citizens will be able to stay here for 15 days without a visa, it said.

South Korea banned all political, diplomatic, economic and cultural exchanges with the African country in 1978.

Government Said Withholding Data on North Blast

SK1311125191 Seoul CHUNGANG ILBO in Korean 13 Nov 91 p 5

[Text] The major explosion at Pyonggang Station in North Korea on 30 October is touching off various speculations, as the full story of it, such as the cause of and damage from the incident, has not been disclosed yet, despite the passage of two weeks since the explosion.

Military experts place the cause of the incident mainly in three categories, namely, mishandling, spontaneous phenomenon, and terrorism.

Of these, the possibility of mishandling is regarded as slim. Ammunition and explosives kept in the warehouse are replaced or relocated at regular intervals according to the administrative guidelines for preventing natural disintegration and allowing ventilation.

Also, ammunition and explosives for military use have strong packing capable of resisting considerable shock in transit by helicopters and open-air storage. Moreover, the incident happened at 0100 on 30 October, and one can hardly believe that the work of replacing ammunition in the warehouse was done in the middle of the night instead of daytime. Second, we can consider the possibility of a spontaneous phenomenon. An explosives expert from Korea Explosives commented on this possibility, expressing doubt: It is impossible to store 900 tons of explosives in one warehouse. It is common sense that explosives of that quantity be stored in several separate locations. Ammunition and explosives warehouses are situated with a certain distance between them; therefore, even if one warehouse explodes, the fire does not spread to another.

The explosives expert went on to say that the explosives used in North Korea are TNT, composition, and tetratol. In view of test results in which the explosion of one ton of TNT causes a crater 1 meter in diameter, if 900 tons of explosives detonated, as reported, an area 900 meters wide must have been turned into a wilderness of cinder and ashes.

Hence, the possibility of a terrorist bomb blast is suspected. This is what the SEKAI NIPPO reports in Japan in its 7 November edition.

If this is the case, an organized antigovernment force in North Korea must exist. According to SEKAI NIPPO, some 20 officers of the North Korean armed forces opposing Kim Il-song conducted subversive activities to prevent the establishment of diplomatic relations between Japan and North Korea. They thought that the establishment of diplomatic relations with Japan would help solidify the Kim Il-song system. On the day when the incident occurred, some of their action group members stormed several armories in addition to Pyonggang Station and died on the spot after blasting them. Commenting on this report, a Defense Ministry official said, "It is impossible for an organized dissident force to exist in North Korea, in view of the characteristics of the North Korean system, nor have we observed any signs of one." Despite this comment, we can strongly suspect the possibility of subversive activity, in view of the fact that 900 tons of explosives exploded all at once, which is impossible without someone causing it, and the fact that the dissident moves were reported by foreign media some time ago.

The ROK Army information authorities, who disclosed that they had been conducting physical observation, photography, and other means of collecting data, analyzing the incident ever since its occurrence, are withholding the result of their analysis. This is contrary to their earlier promise to make it public. They are doing this on the grounds that it would cause unnecessary diplomatic friction with North Korea. This increases our curiosity all the more. It seems that it will take some time before the disclosure of the full story is made.

North's Development Projects Discussed

SK0211130491 Seoul TONG-A ILBO in Korean 2 Nov 91 p 1

[Text] North Korea is reported to have recently completed a list of 83 industrial projects in 11 fields, such as electric and electronic fields, textiles, and chemical products, for which it hopes for foreign investment.

According to government authorities concerned, on 2 November North Korea, estimating that it will need a total of $1.5613 billion in investment for the development of these projects it has selected with cooperation from the UN Industrial Development Organization, plans to raise 57 percent of the financing, or $887 million, abroad.

A breakdown of each sector shows that North Korea needs $334.2 million for 25 electric and electronic projects, the largest group. This group includes batteries, black-and-white TV sets, electric motors, elevators, refrigerators, and small computers. It hopes for $165.1 million from foreign investors.

The second largest field among the projects is textiles, including silk fabrics, cotton footwear, and silk hosiery, in which North Korea needs $293.9 million for seven projects and hopes for $217.2 million from abroad. It needs $139.9 million from abroad to invest in 11 projects in the chemical products sector, including an oil refinery and PVC plant, to bring total investment in this area to $276.6 million. Next are the eight projects in the machine industry, including tool machines and industrial sewing machines. North Korea needs $192.1 million in this sector, and it hopes to borrow $95.2 million from foreign investors.

In addition, North Korea needs $156.2 million for the 12 projects in the metallurgical industrial sector; $148.9 million in two projects in the shipbuilding industry; and $67.1 million in five projects in the mining sector.

North Korea is reported to be planning to allocate most of these joint venture projects in the economic-trade zones, also known as special economic zones, such as Sonbong, formerly known as Unggi; Chongjin, Najin along the Tuman River estuary; and Nampo Export District on the West coast.

In this context, North Korea plans to finish the Nampo Export District, which was started in the mid-1980's, during the first half of the 1990's. Also, last August it mapped out a plan for the development of the Tuman River estuary, mainly around the Sonbong economic-trade zone, and called on the UN Development Project, along with such countries concerned as the ROK, China, Japan, the Soviet Union, and Mongolia to provide assistance for this project.

North Korea is believed to be planning to build the Tuman River estuary and Nampo district as large-scale intermediate trade bases by creating in these areas an environment attractive to foreign investors.

Toward this end, North Korea may possibly revise the existing joint venture law to give it flexibility, in a way that provides considerable incentives to foreign business firms, according to analysts.

Meantime, government authorities believe it is possible to combine the South's technology and capital with the North's resources and manpower to set up joint ventures not only in such areas as electric and electronic goods, chemical products, shipbuilding, mining, and machine industry, but also in the light industrial sectors, including the textiles, processed agricultural products, and ceramics.

They believe that if the South and North begin setting up joint ventures in projects selected by North Korea, the ROK could give North Korea help on many of the projects from its own development experiences.

ROK To Join Asia-Pacific Consultative Group

SK0611132991 Seoul YONHAP in English 1207 GMT 6 Nov 91

[Text] Seoul, Nov. 6 (YONHAP)—South Korea will join an existing multilateral policy consultative conference for discussing new order in the Asia-Pacific region next year, a government source said Wednesday.

The official source said the four countries involved in the conference—the United States, Japan, Australia and Canada—have agreed to admit South Korea as a fifth member nation of the consultative body.

The conference has been convened on two occasions since its inauguration in 1990 and it will be regrouped into a five-nation consultative body with South Korea's formal joining in the first half of next year.

The five-nation conference, which is to be attended by assistant foreign minister-level officials, is expected to focus on the issues of regional security whereas the Asia-Pacific Economic Cooperation (APEC) primarily covers economic cooperation in the region, the source said.

The government, despite its participation in the five-nation conference, will continue to keep up the tripartite policy planning consultative meeting involving South Korea, the United States and Japan, it was said.

ROK Elected to International Maritime Body

SK0211030791 Seoul YONHAP in English 0236 GMT 2 Nov 91

[Text] Seoul, Nov. 2 (YONHAP)—South Korea has been elected to the International Maritime Organization (IMO) Council at the 17th general meeting in London, the Foreign Ministry said Saturday.

Korea joined the Council's 16-member Group C, which represents regional interest in maritime transport and navigation. The Council also has Group A, on international shipping services, and Group B, on international seaborne trade, with eight members each.

The Council seat is a two-year post effective from the date of election. This is the first time Korea has joined the Council since it became an IMO member in 1962.

* Changes Proposed to South Korean Military

* Defense Budget Cut Urged

912C0306A Seoul HANGYORE SINMUN in Korean 16 Aug 91 p 3

[Article by editorial board member Yun Hu-sang: "Defense Budget Debate—Who Is Going To Bell the Cat?"]

[Excerpt] [passage omitted] At this time when the budget compilation is officially under way for fiscal 1992, the most important task facing authorities is to come up with plans to expand infrastructure to effectively develop—in keeping with the rapid trends of opening and internationalization—the growth potential left in the nation's manufacturing industry which has gone through all the withering it could afford, and at the same time to ease pressures of inflation from budgetary deficits.

Meanwhile, a look at the basic structure of the state budget indicates that there is no shortcut to that end but a maximum cutback on the defense budget (currently taking up approximately 25 percent of the general account). Experts as well as budget authorities agree on this point. Judging from the way the budget is being compiled, it appears unlikely that there will be any significant cutback on defense spending next year.

Debates are on indeed but they are not as open as they should be even among the budget authorities. According to reports, the Ministry of Defense is demanding a minimum of 20 percent increase over fiscal 1991, asserting that the "military buildup program" has suffered setbacks in recent years because of the reduced weight of military expenditures both in the general account and in comparison with GNP. On the other hand, the Economic Planning Board, citing the need for expanded social overhead capital as the reason, is attempting to push the scope of the defense spending gain down to a level of approximately 10 percent. When completed, the draft budget will be submitted to behind-closed-doors party-government negotiations, then to bargain sessions of high officials involved and finally to the president for approval before it is officially adopted as a government plan. Unless a new factor comes up, it is highly possible that the gain in the 1992 defense spending will be settled on a level similar to that of 1991 (12.4 percent).

Obviously, it is impossible to expect such "behind-closed-doors debates" to produce a result that will suppress the military spending gain to the "lowest possible level." It is because, aside from government officials involved, parties responsible for the planning of the nation's livelihood are failing to speak up when they should.

Despite its paramount responsibility as the ruling party, the Democratic Liberal Party is just keeping mum.

Reportedly, some of its legislators indeed made remarks at meetings only to beat around the bush; beyond that, the party has issued no serious statements on this critical issue. Opposition parties are making no moves either to prepare an alternative plan to use the situation as "favorable material" for their cause, in spite of their claim for the next presidency. In the case of the Korea Development Institute, a leading research institute on national policies, it indeed made a gesture of "touching on peripherals" of the issue late last year by stating that the defense spending should be reduced by improving military procurement and annuity systems; in the face of the budget debate, however, it maintains silence.

In this irritable situation, the Federation of Korean Industries, which is one of the most conservative groups of our society, unexpectedly came forward demanding a gradual cutback in defense spending, which shows how heavily defense spending is burdening our economy.

An overall review should be made promptly to determine the appropriate size of the defense spending, including the need for a gradual troop reduction and effectiveness of the budget execution. Although it seems to be a bit too late, groups responsible for the national economy should come forward even now and actively speak their minds on the budget compilation process.

If they are not prepared to do so now, we urge them to demand public disclosures of the defense spending (except top secret items) and to work for more active public debates so that leading figures and experts in all walks of life can be heard.

At the same time, we have a request to the military. As the U.S.-USSR reconciliation basically changed the face of the Cold War structure on the Korean peninsula, there has been steady progress in the North-South relations, including the continuation of the high-level talks and developments over the simultaneous UN memberships for North and South Korea and the big-power cross recognitions. Now it has become an irreversible flow of history that we have entered an era of reconciliation, cooperation and reunification. The military should discard the "defense spending is a sanctuary" obsession and do away with the habitual practice of giving priority to the arms buildup programs. The military is required to make efforts for self-reform and rebirth into an armed force of the people sharing interests in the nation's economy, and further into an armed force of the nation concerned with the destiny of the nation.

Is it too much to expect that the military will—as part of such efforts—present a budget cut plan based on its own research and bring on a candid debate with civilian experts?

* Major Structural Reform Considered

912C0306B Seoul CHOSON ILBO in Korean 19 Aug p 1

[Unattributed report: "Overall JCS Reorganization Under Study—Government Plans To Abolish Deputy Chairman Posts, Unify Chain of Command, Give Chairman Personnel Management Authority; Major Reform Also Expected of Each Service"]

[Text] To further maximize the integral war potential of the three armed services, the government is planning to revise the present Joint Chiefs of Staff [JCS] table of organization and carry out a sweeping reorganization, it was learned yesterday, 18 August.

The plan, currently under study by the Ministry of Defense and the JCS, is reportedly designed to increase the authority of the JCS chairman by granting him the right of personnel management including promotions, assignments and transfers of JCS staff officers. Under the current system, the JCS chairman exercises only the operational command over each armed service.

While the present JCS command structure consists of a chairman, three deputy chairmen, four general directors and directors in that order, the reorganization plan calls for abolition of the deputy chairman posts and general director posts and replacing the present structure with a new one unifying the chain of command composed of a JCS chairman (general), JCS headquarters director (lieutenant general) and directors (major generals).

The plan also includes creation of a vice chairman post under the chairman, which will be filled by the first general director of the present JCS (Army general) whose assignment is senior delegate to the military segment of the North-South high-level talks.

Commenting on the plan, a government source said: "As a result of an interim appraisal of the present JCS system launched in October last year, it was noted that at the time of its launching, the government was preoccupied with the task of distributing posts to the Army, Navy, and Air Force and this has resulted in unnecessarily complicating the chain of command against the original intent, which was to upgrade the integral capabilities of the three services." "In particular, under the present system the working-level staff is required to go through as many as nine offices in between to obtain the chairman's approval on any pending matter. The system has been found to have this and many other unreasonable elements and therefore we have embarked on the reorganization effort."

Referring to the reported plan of granting the chairman the right of personnel management, the same source said: "Under the present system, each service's chief of staff holds the reigns over personnel management although he has no military command authority, making it impossible for the chairman to fully exercise his control over JCS staff officers. This flaw of the current system prompted the study of an alternative measure." The JCS made a new start in October last year as an integral organization of the three services under the "18 August Plan." Now, after less than a year, it faces a sweeping reorganization again should the plan go through. Consequently, each armed service is also expected to undergo extensive changes.

The reorganization plan calls for merging the present top-level offices of the JCS—occupied by the three deputy chairmen representing their respective services, who are three-star generals or higher—into the office of JCS headquarters director (lieutenant general) under the direct jurisdiction of the chairman so as to unify the chain of command.

Currently, the Joint Staff consists of four general directors and their directors, respectively in charge of strategic plans, intelligence, operations, and support. The plan under study envisages their reorganization—patterned after the U.S. system—into seven directorates, including personnel, operations, intelligence, munitions, and plans, to simplify the chain of command. In connection with the planned reorganization, the government is also studying making partial amendments, if necessary, to laws and decrees involved, including the armed forces organization law and the military personnel law as well as the decree governing the JCS organization, it was learned.

Nuclear Power Unit Halts Operations

SK1211043591 Seoul THE KOREA TIMES in English 12 Nov 91 p 8

[Text] The No. 1 nuclear power unit in Kori, Kyongsang-namdo, stopped power production early yesterday morning due to trouble in its power output control system, the Energy-Resources Ministry said yesterday.

The breakdown occurred at 8:28 a.m. yesterday but its cause has yet to be made clear.

The Korea Electric Power Corporation is investigating what led to the abrupt shutdown of the nation's oldest atomic power unit, ministry officials said.

Burma

PRC Aerospace Minister, Delegation Visit

BK1311143991 Rangoon Radio Burma in Burmese 1330 GMT 13 Nov 91

[Text] At the invitation of Lieutenant General Tin Tun, member of the State Law and Order Restoration Council and minister of transport and communications and social welfare and labor, a delegation from the People's Republic of China headed by Mr. Lin Zongtang, minister for aerospace industry, flew in to Yangon [Rangoon] at 1245 today.

The Chinese minister and his delegation were welcomed at Yangon airport by Minister Lt. Gen. Tin Tun; U Win Sein, managing director of the Myanmar [Burma] Railways Enterprise; Thura U Aung Htet, director general of the Foreign Ministry's Protocol Department; and responsible officials of departments concerned.

During their stay in Myanmar, the Chinese minister and his seven-member delegation will discuss cooperation for mutual benefit in the aviation field.

At 1500, the Chinese minister, in the company of Chinese Ambassador Mr. Liang Feng, called on Lt. Gen. Tin Tun at the Ministry of Transport and Communications.

During the meeting, frank discussions were held on matters of mutual interest in the fields of aviation, aerospace, and satellite communications.

Also present at the meeting were U Khin Maung Thein, managing director of the Inland Water Transport Enterprise; U Win Sein, managing director of the Myanmar Railways Enterprise; and other responsible officials.

This evening, Minister Lt. Gen. Tin Tun held hosted a dinner for the visiting minister and his delegation at the Padamya Hall of the Inya Lake Hotel.

PRC Defense Services Delegation Arrives 13 Nov

BK1311144391 Rangoon Radio Burma in Burmese 1330 GMT 13 Nov 91

[Text] A PRC Defense Services goodwill delegation headed by Lieutenant General He Qizong, deputy chief of staff of the Chinese People's Liberation Army [PLA], flew in to Yangon [Rangoon] at 1700 today at the invitation of General Than Shwe, deputy commander in chief of the Defense Services and Army commander in chief.

The Chinese deputy chief of staff of the PLA and his delegation were welcomed at Yangon airport by Gen. Than Shwe; Vice Admiral Maung Maung Khin, Navy commander in chief; Lt. Gen. Tin Tun, Air Force commander in chief; Major General Khin Nyunt, director of the Defense Services Intelligence; Maj. Gen. Tin U, Army chief of staff; Maj. Gen. Myo Nyunt, commander of the Yangon Military Command; high-ranking military officials; Mr. Liang Feng, PRC ambassador to Myanmar [Burma]; Colonel (De Wanpu), PRC Defense Services attache; and staff members of the PRC Embassy.

Following the arrival, the Chinese deputy chief of staff of the PLA and Gen. Than Shwe inspected the guards of honor before proceeding to the State Guest House by motorcade.

Brunei, Malaysia & Singapore

Malaysia

Minister Says Soviets Offer Arms Deal Package

BK1311142491 Kuala Lumpur Radio Malaysia Network in English 1330 GMT 13 Nov 91

[Text] The Soviet Union has offered an arms deal package to Malaysia involving sophisticated fighter aircrafts and combat helicopters. Defense Minister Datuk Sri Najib Tun Razak said his ministry was looking at government-to-government proposals made recently when a high-level Soviet delegation visited Malaysia. He said the government cannot make an immediate decision. It takes time for it to make a complete study of the offer, but the important thing is that they have established a beginning with Malaysia in introducing the products. Datuk Sri Najib was speaking to reporters during his rounds at the Langkawi International Maritime and Aerospace, Lima 91 exhibition.

About 150 companies from 15 countries are taking part in the five-day show which began on Monday with the Soviet Union as the largest participant. The Soviets brought in some of the latest aircraft to the show—Ilyushin IL-76 freight transport; the huge whale-like Antonov AN-124 transporter which is the largest transport aircraft in the world; two combat helicopters, the MI-17 and the Kamov; and two fighters, the Sukhoi SU-27 and the Mikoyan MiG-29.

Meanwhile, Defense Ministry Secretary General Datuk Nasruddin Bahari said the Soviet Union had asked Malaysia to consider buying their weapons, but the government has not decided. He said more detailed discussions were neeeded as the proposal was made in a general manner although it also included some transfer of technology. Datuk Nasruddin said Malaysian specialists will have to go and study the equipment being offered as they will also have to ensure availability of the spare parts. The 100-odd Soviet delegation to the show is being headed by its deputy minister of defense, Colonel General Petr Deynekin, who called on Prime Minister Datuk Sri Dr. Mahathir Mohamed at the show's hospitality suite yesterday.

Defense Minister on Aerospace, Maritime Exhibit

BK1311120391 Kuala Lumpur NEW STRAITS TIMES in English 12 Nov 91 p 2

[Text] Pulau Langkawi, Mon.—ASEAN needs to cooperate to exploit the vast opportunities in the region's maritime and aerospace sectors in both military and civilian areas Defence Minister Datuk Sri Najib Tun Razak said today.

He said these sectors were a relatively untapped source for cooperation and great achievements could be made through joint ventures and the establishment of industrial consortia in aerospace and maritime projects.

"The examples of European collaboration in the Airbus industry and in multi-role combat aircraft are those that can open up vistas in our attempts to industrialise under conditions of regional peace and security."

Datuk Sri Najib said this during the opening of the Langkawi International Maritime and Aerospace (Lima '91) exhibition at the Langkawi international airport which was opened by the Sultan of Kedah.

Lima '91 is jointly organised by Le Proton Metal-works Sdn Bhd and AR Format Sdn Bhd and is fully supported by the Government. The NEW STRAITS TIMES is the official newspaper for the event.

The Defence Minister said the support and presence of the ASEAN neighbours and the members of the Five-Power Defence Arrangement (FPDA) at Lima '91 were a positive and encouraging sign that the cooperative spirit in mutual endeavours had gone beyond the arrangements that bound the countries within ASEAN and the FPDA.

"Beyond our regional political, defence and security ties lies the potential for collaboration in other areas that can serve to enhance the development of our respective nations," Datuk Sri Najib added.

Malaysia and ASEAN were fortunate to be able to enjoy development because the countries had chosen to work together in promoting joint security and defence.

"It is true that from time to time we, as neighbours and friends, have our little problems but this is only natural and should not obscure our sense of regional peace and achievements," he added.

On Lima '91, Datuk Sri Najib said the idea of having the exhibition on the island was conceived two years ago.

"Many thought the idea was quite inconceivable, others thought it was impractical and to a few, even downright impossible."

However, he said, like so many bold initiatives, it all started like a dream and that dream had turned into a reality.

The objectives of Lima '91 were to institute a unique combination of an aerospace and maritime show which could assume international repute and promote Pulau Langkawi as a popular destination for tourists.

He said the island had been transformed into a major tourist and travel destination and the man responsible for the success was Prime Minister Datuk Sri Dr. Mahathir Mohamed.

Datuk Sri Najib hoped Lima '91 would propel Pulau Langkawi to even greater heights of progress as the country planned for a bigger exhibition in 1993.

The exhibition could be a springboard for new avenues of collaboration in the aerospace and maritime sectors to rapidly transform the Asia-Pacific region.

"We beleive Lima '91 is not just a show but it is to help focus and enhance our knowledge of development and possibilities in the aerospace and maritime sectors," he added.

Bilateral Payment Arrangement With Peruvian Bank

BK1311152691 Kuala Lumpur Radio Malaysia Network in English 1330 GMT 13 Nov 91

[Text] Bank Negara [Central Bank] has signed its 11th bilateral payment arrangement, this time with Banco Central de Reserve del Peru—the republic's central bank—which has now paved the way for enhanced trade between both countries. A Bank Negara statement said Malaysia's trade with Peru was expected to increase from the present level of about 30 million ringgit a year.

The agreement was signed in conjunction with a two-day visit of the president of Peru, Mr. Alberto Fujimori, beginning today. The governor, Tan Sri Datuk Dr. Jaafar Hussein signed on behalf of Bank Negara, while the chairman of the Board of Banco Central de Reserve del Peru, Jorge Chavez Alvarez, signed on behalf of his bank. Under the arrangement signed between both central banks, each central bank would pay its respective exporters in domestic currency and settle on a periodic basis the net difference with the other central bank in U.S. dollars.

Bank Negara has so far signed bilateral payment arrangements with the central banks of Iran, Venezuela, Nigeria, Mexico, Mozambique, Romania, Botswana, Zimbabwe, Chile, and Fiji. Similar payment arrangements are being negotiated between Bank Negara and other central banks.

Peru with a population of about 22 million imports consumer goods, vegetable oil, intermediate and capital goods and exports petroleum, copper, zinc, lead, silver, cotton, fresh milk, sugar, and textiles.

Singapore

Deputy Premier, Australia's Evans Hold Talks

BK1311140691 Singapore THE STRAITS TIMES in English 13 Nov 91 p 7

[By Kwan Weng Kin in Seoul]

[Text] Seoul—Australian Foreign Minister Gareth Evans yesterday expressed surprise at the downgrading of the Malaysian delegation to a conference of Asia-Pacific economic and foreign ministers here.

The Australian minister voiced his surprise during a meeting with Singapore's Deputy Prime Minister, Brigadier-General (Reservist) Lee Hsien Loong, Singapore officials said.

The two men are among 26 ministers attending the third annual Asia-Pacific Economic Co-operation (APEC) forum here, at which Malaysia is being represented only by its Justice Minister.

According to a spokesman for the Singapore delegation, Brig. Gen. Lee told Evans that the absence of the Malaysian trade and foreign ministers had been noted.

A meeting of ASEAN senior officials here yesterday also took note of the "no show" by the Malaysians. The Singapore spokesman said that neither ASEAN nor APEC had received any formal notification of Malaysia's move.

The Malaysian action is believed to be Kuala Lumpur's way of registering its displeasure over Washington's strong objections to its proposed East Asian Economic Caucus (EACE), which seeks to set up an Asians-only forum that would exclude the United States in the Asia-Pacific region.

According to an AFP [AGENCE FRANCE-PRESSE] report, a senior U.S. State Department official said yesterday that Washington was opposed to the EAEC as it felt that any group which tried to focus on trade and economic ties of the region should reflect regional trading patterns. "We would be troubled by any effort to form a group that sought to cut out the United States," he said.

During their meeting Brig. Gen. Lee and Mr. Evans also discussed the future direction of APEC, the funding of 10 work projects adopted by the grouping and a proposal to set up a secretariat.

The Singapore spokesman said ASEAN was basically not against the establishment of an APEC secretariat. "Singapore's position is that we have to find a way to accommodate the views of all APEC members. No one is looking for a big secretariat," he added.

According to Singapore officials, Brig. Ge. Lee is expected to announce during the APEC ministerial meeting the republic's intention to host a seminar on investment and technology transfer next June. The seminar is to enable APEC members to inform businessmen of investment opoortunities and incentives that they have to offer.

Peruvian President on Diplomatic Ties, Economy

PA1311182391 Lima Radio Programas del Peru Network in Spanish 1800 GMT 11 Nov 91

[Report by Denis Vargas from Singapore]

[Excerpts] President Alberto Fujimori has successfully concluded his first day in Singapore, the first country on his visit to Southeast Asia. The objective of the tour is to strengthen relations, especially in the fields of economy, finance, and investment, in an attempt to take advantage of the great progress this country has made in the last 20 years, which has placed it among the countries with the best economic indicators in Asia and probably the world.

President Fujimori met with representatives of the Economic Development Board of Singapore, including (Dan Ching Nang), the board's manager. The Economic Development Board is an organization similar to the Peruvian National Institute of Planning. The board has committed itself to serious participation in Peru's transformation and development process and its efforts to reenter the international scene begun by the Fujimori government.

The executive chairman of this organization said that Singapore will support Peru in the development process in whatever way necessary. [passage omitted]

We interviewed the president after his first day's activities. [begin recording]

[Vargas] Mr. President, how would you describe your first day here in Singapore.

[Fujimori] I would say that we will harvest the fruits of this trip in the medium term. There is enormous potential for Peruvian commerce. The market in Singapore is enormous and you have surely seen how dynamic this country is. This visit, therefore, has been very beneficial. The fact that we are opening diplomatic offices here will open up this enormous possibility to us.

We have met with the economic council, the trade council, and the president of Singapore has himself demonstrated his most open desire to assist us in increasing our trade. On 12 November I will meet with representatives of the business sectors. First I will meet with Singapore businessmen. In the evening, at the most important event, I will address the presidents of the 150 largest companies in the area known as the CEO, the Chief Executive Officers. These are companies that sell more than $250 million per year, which is a requirement to become a member of the CEO. At that forum I will present the new reality that Peru offers for foreign investors and businessmen.

[Vargas] This will surely be an impressive forum, especially as many and varied businesses throughout the world will be represented. Thus, your report tomorrow will be very important. Let me ask you more about today. What is the most important thing that will come from the meeting with the representatives of the economic and commercial councils and the representatives of the Pacific basin? Where can we profit, and is there anything solid that you can announce to Peru?

[Fujimori] Well, as this is just a first contact directed at opening the market, and the wish to do so was expressed at these meetings today. The message we bring is a direct one. It is not only through printed matter, but the president himself has come to sell them some interesting proposals. I believe that this trade relationship will be very beneficial for Peru. [passage omitted]

[Vargas] Have you announced the opening of diplomatic missions in Singapore, Thailand, and Malaysia? Do you have any important information on this?

[Fujimori] We should be very active commercially and increase our trade here, where most of the area's trade occurs. This is why we have decided to open diplomatic offices in Singapore, Bangkok, Kuala Lumpur, and Hong Kong.

[Vargas] At the embassy level, Mr. President?

[Fujimori] Yes, although not necessarily with the presence of a resident ambassador; it could be a roving ambassador. The diplomatic office should promote Peru's foreign trade and the flow of investments and capital.

[Vargas] You just made important remarks on Singapore's largest television network. When the journalist asked you what you expect from Asia and how long your government's spring will last, that is to say, Peru's recovery, you gave an interesting answer. Would you please comment?

[Fujimori] I said it in other words. We might say that the legislative decrees we enacted shortly before leaving on this tour virtually open the world's doors for Peru. This new economy will lead us to modernization. In the 12 November meeting, I will announce the birth of this new Peru. This is why I expressed optimism over the possibility of Peru's leaving underdevelopment behind.

[Vargas] Will our economic indicators be likes those of Singapore? Will we become like Singapore some day, Mr. President?

[Fujimori] Of that, I am completely sure. You know, in addition to the method that we will apply with these legislative decrees, we have two factors in our favor. First, our working people, who can truly become a new (?force) to advance toward development and, second, our immense natural resources that do not count in this area of the world. For us, however, they are an important, yet unexploited, wealth, which opens enormous possibilities for us.

[Vargas] Thank you, Mr. President. [end recording]

Cambodia

Sihanouk Leaves Beijing To Return to Country

Says 'Happy' for Opportunity

BK1411051791 Phnom Penh SPK in English 0429 GMT 14 Nov 91

[Text] Phnom Penh SPK November 14—Prince Norodom Sihanouk left China for Cambodia early Thursday, ending 13 years of exile, according to AFP. The leader of Cambodia's Supreme National Council left Beijing aboard an Air China Boeing 707 with his wife Princess Monique, son Prince Ranariddh at 06:30 AM (2230 GMT). Prime Minister Hun Sen accompanied the Prince.

He was to fly directly to Phnom Penh, arriving in the Cambodian capital around 0400 GMT. "I feel very happy, extremely happy to have the opportunity to go home and to work there among the Cambodian people and the Cambodian nation, in particular to achieve national reconciliation and national unity," he told journalists before boarding the aircraft.

Surrounded by his North Korean bodyguards, Sihanouk was seen off at the old airport in Beijing by the Chinese deputy foreign minister responsible for Cambodia, Xu Dunxin, French Ambassador Claude Martin and north Korean Ambassador Chu Chang-jun. He received bouquets of flowers from three children wearing the red scarves of the communist young pioneers and gave a long salute to the several dozen officials and journalists assembled on the tarmac.

Asked about fears of a return to power by the Khmer Rouge who massacred hundreds of thousands of Cambodians during their four years in power, Prince Sihanouk reiterated his confidence in the Cambodian people. "The Khmer Rouge promised not to try to return to power by using force, and they promised to abide by the peace agreement they signed in Paris on October 23rd," he said.

"Our people will never allow anything like the period of (Khmer Rouge Leader) Pol Pot to happen again in Cambodia," he added. Prince Sihanouk also expressed faith in the civilian and military organs set up under a United Nations peace plan, notably to stop that group from "violating human rights, from trying to threaten peace and social tranquility."

It was aboard a Boeing 707 that he arrived in Beijing on January 6, 1979, having fled Phnom Penh several hours after the Chinese- backed Khmer Rouge was toppled. Prince Sihanouk thanked Beijing on Thursday for welcoming him in exile and stressed the "links of fraternity and solidarity between the People's Republic of China and Cambodia." He indicated that the first foreign envoy he would receive Friday once reinstalled in his royal palace in Phnom Penh would be French ambassador Philippe Coste, diplomatic sources said.

Arrives in Phnom Penh 14 Nov

BK1411045491 Phnom Penh SPK in French 0410 GMT 14 Nov 91

[Text] Phnom Penh 14 Nov (SPK)—Prince Norodom Sihanouk, chairman of the Supreme National Council [SNC] of Cambodia, arrived in Phnom Penh at 1100.

Prince Norodom Sihanouk, his wife Princess Monique, his son Prince Ranariddh, and his entourage came aboard a special plane put at the prince's disposal by the Chinese Government. Hun Sen, chairman of the Council of Ministers accompanied him from Beijing.

The prince was warmly welcomed on the tarmac by Chairman Heng Samrin, Chairman Chea Sim, and hundreds of high-ranking Cambodian officials and diplomats accredited to Cambodia. More than 2,000 Cambodian people carrying the prince's portraits, the SNC flag, the flag of the State of Cambodia, and posters also came to the airport to welcome the prince.

After observing the anthems of the SNC and the State of Cambodia, Prince Norodom Sihanouk, accompanied by the chief of the Army General Staff, strolled on the red carpet to review the guard of honor from the three armed forces. At the airport, there were also 500 young girls dressed in Cambodian silk costumes, 100 young Pioneers, and 200 Buddhist monks.

Radio Lists Welcoming Officials

BK1411080191 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 14 Nov 91

[Text] At 1100 [0400 GMT] on 14 November, Samdech Norodom Sihanouk and his wife, who were accompanied by His Excellency Hun Sen, chairman of the Council of Ministers, and his wife, arrived safely in the State of Cambodia's Phnom Penh City.

On hand to welcome Samdech Norodom Sihanouk and his wife at Pochentong Airport were His Excellency Heng Samrin, honorary chairman of the Cambodian People's Party [CPP] Central Committee and chairman of the Council of State; His Excellency Chea Sim, chairman of the CPP Central Committee, National Assembly, and front National Council; Mr. Say Phuthang, member of the standing committee of the CPP Central Committee, chairman of the party Central Committee's Control Commission, and vice chairman of the Council of State; General Bou Thang, member of standing committee of the CPP Central Committee, vice chairman of the Council of Ministers, and chief of the General Political Department of the Cambodian People's Armed Forces [CPAF]; Mr. Chea Soth, member of the standing committee of the CPP Central Committee and vice chairman of the Council of Ministers; Mr. Sar Kheng, member of the standing committee of the CPP Central Committee, chef de cabinet of the party Central Committee, and chairman of the CPP Central Committee's Organizational Commission; Mr. Say Chhum, member of the standing committee of the CPP Central Committee and standing vice chairman of the Council of Ministers; Mr. Mat Ly, member of the standing committee of the CPP Central Committee and vice chairman of the CPP Central Committee's Control Commission; Gen. Tie Banh, member of the standing committee of the CPP Central Committee, vice chairman of the Council of Ministers, and Defense minister; Mrs. Men Sam-an, member of the standing committee of the CPP Central Committee and chairwoman of the Cambodian Federation of Trade Unions; Mr. Nguon Nhel, member of the standing committee of the CPP Central Committee and agriculture minister; Mr. Ney Pena, member of the standing committee of the CPP Central Committee and vice chairman of the CPP Central Committee's Control Commission; Gen. Sin Song, member of the standing committee of the CPP Central Committee and Interior minister; Mr. Sim Ka, member of the standing committee of the CPP Central Committee and chairman of Phnom Penh City's party committee; senior Lieutenant Gen. Pol Saroeun, member of the standing committee of the CPP Central Committee, deputy defense minister, and chief of the CPAF General Staff; senior Lt. Gen. Ke Kimyan, member of the standing committee of the CPP Central Committee and first deputy Defense minister; Mr. Kong Sam-ol, member of the standing committee of the CPP Central Committee and vice chairman of the Council of Ministers; and other ministers and their deputies, directors general and their deputies, delegates from various state institutions, the State of Cambodia's officials, diplomatic corps accredited to Cambodia, and officials of the UN Advance Mission in Cambodia, as well as some 400,000 masses and people, ethnic minority groups' representatives, pupils, students, and army staff.

Our station will broadcast a detailed report on the event this evening.

VOK Reports Arrival

BK1411065191 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 14 Nov 91

[Text] Samdech Phreah Norodom Sihanouk, chairman of the Supreme National Council [SNC], arrived in Phnom Penh the morning of 14 November at 1120 to officially establish the headquarters of the Supreme National Council [SNC] in Phnom Penh, capital of Cambodia.

Observers from all international circles and nationalities regard Samdech Phreah Norodom Sihanouk's return to Cambodia as the chairman of the SNC—the only legitimate organization and sole source of power in the transitional period—as a historic event for Cambodia.

Samdech Phreah Norodom Sihanouk and his wife were accompanied from Beijing by his son—Prince Norodom Ranariddh, member of the Supreme National Council [SNC] and secretary general of National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia [FUNCINPEC], his daugther Princess Boupha Devi, his entourage, and Mr. Hun Sen.

Samdech Phreah Norodom Sihanouk was greeted at Pochentong Airport by Mr. Heng Samrin, Mr. Chea Sim, and the ambassadors of various countries designated to Phnom Penh.

The samdech reviewed the guards of honor, and later left the airport for Khmemarin Palace, his residence, in a convertible car escorted by motorcade.

At 1600 today, Mr. Hun Sen's group will organize a reception for Samdech Phreah Norodom Sihanouk at Khmerin Palace.

On Friday, tomorrow, at 4:00 in the afternoon, Messrs. Heng Samrin, Chea Sim, and Hun Sen will pay a courtesy call on Samdech Phreah Norodom Sihanouk at Khemarin Palace. At 6:00 in the evening, Samdech Phreah Norodom Sihanouk will receive credentials from the French ambassador at Khemarin Palace.

PRACHEACHON Welcomes Sihanouk

BK1411075191 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 14 Nov 91

[PRACHEACHON editorial: "Extending Warm Welcome to the Return of Our Respected Samdech Norodom Sihanouk to the Motherland"]

[Text] The date of 14 November 1991 has opened a new page in the bitter history of the Cambodian nation: the opening of the period of peace, national reunification, and national development through the samdech's trip back to the motherland.

The Cambodian People's Party [CPP] and the Cambodian Government and people throughout the country have expressed their great joy and warmest welcome to the return of the samdech as the chairman of Cambodia's Supreme National Council [SNC]—the symbol of Cambodia's sovereignty and national unity.

The samdech's return home constitutes a major victory in the CPP's national reconciliation policy that was put forth in 1987, including the many successive sacrifices and concessions our party and government has made in order to do everything possible to end the Cambodian people's misery and suffering and put a permanent end to the tragedy [words indistinct] to consolidate the great national united forces with a view to jointly building and developing our beloved motherland [words indistinct].

The samdech's current mission is a most valuable and splendid one which makes an important contribution to the implementation of the 23 October Paris agreement, which seeks to make everything existing on paper and a reality in line with the Cambodian people's expectations, aspirations, and interests and in conformity with the international community's efforts and hope.

The samdech's statement is as follows: In my capacity as the chairman of the Cambodian SNC, I, Norodom Sihanouk, do not have any party and will not take sides with any party, any faction, or any political movement. FUNCINPEC [National United Front for an Independent, Neutral Peaceful, and Cooperative Cambodia] is Prince Norodom Ranariddh's party and does not belong to me, Norodom Sihanouk, because I must be the neutral chairman of Cambodia. The samdech's preservation of his neutrality has positively influenced the normalization of the situation in the transitional period and has created a favorable atmosphere for the upcoming free and fair elections.

The Cambodian people hope that the samdech will truly stand on the side of the people's interests, rally the forces of great national union both inside and outside the country to defend national achievements, resolutely protect the Cambodian people's rights, and oppose the return of activity from the past, which had threatened the nation and people with great danger.

Our people in all areas and corners of the country would like to extend to the samdech their feelings of respect and love and wish that his precious royal mission in contribution to peace, national reconciliation, and development of Cambodia be crowned with success.

We would like to extend best wishes for greatest happiness to the samdech during his stay with the people in our country.

Radio Urges Others To Return

BK1411094791 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 14 Nov 91

[Appeal Program's article: "H.R.H. Samdech Norodom Sihanouk Has Returned to the Motherland; Therefore, the Misled Brothers Living in the Jungle Should Also Return to the People and Motherland"]

[Text] Dear brothers: With the return to the motherland of His Royal Highness [H.R.H.] Samdech Noprodom Sihanouk and his royal consort, 14 November 1991 has become the date marking the most solemn event that will remain indelibly in the hearts of all Cambodians. The samdech's homecoming is in accordance with Cambodia's advancement on the path to peace and national reconciliation. Deeply loving and greatly missing his beloved country, the samdech has happily complied with the Paris agreement by returning to the motherland.

For nearly two decades, the samdech has experienced a heartrending separation from the motherland as a result of the most unjust coup d'etat staged against him by Lon Nol and his henchmen on 18 March 1970. The samdech's forced separation from his homeland and people has caused him unceasing grief and anguish over the nation's destiny.

Brothers, when the people's resistance forces won the victory on 17 April 1975, the samdech was put under house arrest for more than three years. The life that he led without any semblance of freedom turned him into a political prisoner, a captive just like the rest of our people.

When the forces of the Cambodian people once again liberated the country from the claws of the polpotist criminals on 7 January 1979, the polpotists forced him to go and live overseas in a most inhumane manner. Moreover, the polpotists trampled on his prestige, making use of his name and forcing him to follow their savage ambitions to continue the massacre of the people, including many of the samdech's children and grandchildren.

Dear brothers, although the polpotist criminals and their lackeys used the samdech's renown as a shield and besmirched his name, the samdech's prestige remains untainted. At the same time, the Cambodian people throughout the country continue to have faith in and respect for his good name.

Because he misses the people—young and old alike—so much, the samdech today safely returns to the homeland to live with the people in our world-famous country.

Brothers, upon the samdech's arrival, hundreds of thousands of people, personnel, officials, young men, young women, intellectuals, and students have turned out to welcome him with huge smiles, lining the streets from Pochentong Airport to the royal palace. They waved the national flags and the flags of the Supreme National Council of Cambodia and shouted slogans welcoming the samdech's return after nearly two decades of exile.

Seeing the prosperous and contented looks of the people in Phnom Penh, the samdech was full of satisfication, happiness, and smiles. He admired the courageous and wise leadership rendered to the nation over the past nearly 13 years by the Cambodian People's Party [CPP] and the government of the State of Cambodia. His return to live with the people in the beautiful land of Angkor constitutes an occasion that should be inscribed in the pages of Cambodia's history. The Cambodian people as a whole would like to voice their warm welcome to the samdech's homecoming.

Brothers, those of you who still live in the jungle with the opposition Khmer factions, you certainly have high ideals like our people. All of us want the samdech to return to the homeland to help end the bloody war and achieve national unity. You must therefore closely examine the words peace and war and must welcome the samdech's homecoming like the people in the rest of the country. Furthermore, you can be confident that, by joining hands with the CPP and the Cambodian people, the samdech is going to succeed in the search for genuine peace and national reconciliation. Consequently, the brothers who have been led astray into living in the jungle should shed their old thinking and choose the new scientific method of building happiness for the families and working for the destiny of the nation in the same way as the one pioneered by H.R.H. Norododm Sihanouk and the CPP, which calls for national reconciliation and unity and for the pooling of all resources to build a prosperous, developed, and durable Cambodia.

Spokesman Alleges Violations by Opposition Groups

BK1311140091 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 13 Nov 91

[Press communique issued by the Ministry of National Defense; date and place not given—read by announcer]

[Text] As everybody knows, a peace treaty for Cambodia was signed on 23 October 1991 in Paris by 19 countries and all the Cambodian factions involved in the conflict in a bid to bring an end to the war as well as to rebuild Cambodia, bring about progress and prosperity, eliminate poverty, and consolidate a durable peace in Southeast Asia. The Cambodian people and armed forces are sincerely looking forward to this genuine peace.

We have always displayed our firm goodwill and resolute respect for the accords, remaining very patient and refraining from conducting any activities that might obstruct or affect the political solution. Moreover, we have made countless concessions and created numerous favorable conditions for all efforts to facilitate and speed up the implementation of the agreement, both materially and morally.

In contrast, however, the Khmer opposition factions, especially the polpotists, have not shown any promising sign of goodwill so far. As a matter of fact, they continue to nurture their obsolete ambitions. Not only have they failed to provide any kind of security or assurance to the Cambodian people so that they can take part in the election and participate in determining the country's destiny, but they have continued to shed the blood of the people—young and old alike—and even to inflict death on them everyday.

Moreover, in addition to spurning the observance of the accords, they have made comprehensive efforts to expand territory by attacking and trying to capture our positions, sending a continuous flow of forces and ammunition into the country, and grossly encroaching on the areas under the control of our State of Cambodia.

Most glaringly and recently, at 0530 on 11 November to be exact, the polpotist troops of the 785th Division and some 200 to 300 sonsannians intentionally and savagely violated the Paris agreement by launching an offensive against our positions at three points in the Kouk Rovieng region, 9 and 12 km northwest of the Stoung District seat in Kompong Thom Province. The two-hour clash caused two deaths and four wounded among our men. The enemy took 18 oxcarts and a number of bicycles and radio recorders as well as a large quantity of other property and money of the people.

In Siem Reap Province, on 10 and 11 November, the polpotists attacked us by launching three raids against the positions of the Puok District armed forces. In these three raids, the polpotists used between 70 and 80 foot soldiers, who they supported with heavy artillery. We managed to contain their attacks and force them to retreat in shame.

All this does not even include the attacks on and encirclement of other positions and several mining and harassment attacks.

Is this not an obstruction to the peace process and an attempt to sabotage the Paris agreement? Where is their goodwill to end the 20-year-long chronic war?

In the face of all these untoward and intentional incidents, we hope the Pol Pot and Son Sann factions will reconsider and immediately put an end to such nefarious activities to allow the Cambodian people to embark on the path toward building a durable peace and to safely and successfully implement the agreement.

Deputy Interior Minister on Peace Accord, Tasks

BK1411035991 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 2300 GMT 13 Nov 91

[Report on press conference given by Major General Sin Sen, deputy interior minister, to local and foreign journalists in Phnom Penh on 13 November—partially recorded]

[Text] A press conference on measures to maintain security and order in the wake of the recent signing of a peace accord on Cambodia in Paris was solemnly given by Major General Sin Sen, member of the standing committee of the the Cambodian People's Party Central Committee and deputy Interior minister, to 78 local and foreign correspondents at the Interior Ministry's meeting room on the morning of 13 November. The deputy minister addressed the gathering as follows:

[Begin recording] [Sin Sen] Ladies and gentlemen, I wish to thank you for your presence here. I am pleased to meet you and want to get to know you, in order to ensure the success of the political settlement for the Cambodian problem. I am happy to see you all, those who have already been in the country for some time as well as those who have come recently, since Cambodia achieved an agreement on 23 October. I understand, however, that all of you have actively participated in the search for genuine peace for our Cambodian people. You have also shared welfare and woe with our victimized people in the course of the implementation of the past policies. We do believe that you have witnessed the scars of the past politics here, thereby clearly realizing the value of mankind and the ray of happiness that has shone on the Cambodian people during the past 13 years. Although the nearly 13 years of protracted war has brought our people a great disaster for their life and property, they have finally seen a ray of a real happiness at the present time. However, along with the nearly 13 years of protracted war, recent floods have damaged the people's crops and have caused increasing hardships. I would like express our deepest thanks, through you, to various international organizations in Cambodia for their generous assistance and support to our people. Our needy people will always be grateful to all of you.

We can say that, during this year, some issues have been resolved according to the people's desire while others have caused our people to face difficulties. The thing that we have attained is the signing of the 23 October treaty, which our party and people have been wanting for a long time. Our people want to have a genuine peace, a settlement, and the sincere implementation of the signed treaty by all parties involved. As you have already seen, shortly after the signing, a grand mass meeting was held in Phnom Penh. One after another, our people have said that peace will certainly come. We have taken into account and accepted the suggestion of our people and party that the needs of peace make it imperative to implement the treaty with all sincerity. Therefore, each party must strictly adhere to the treaty and dthe various organizations involved should honestly and correctly implement it as well.

I do understand that certain ladies and gentlemen earnestly want to meet the Interior Ministry, in fact, some of you want to contact the ministry personally. Anyway, we are now holding a meeting here to ensure the success of a global settlement of the Cambodian problem. As you already know, tomorrow our people will face an old problem along with a new one that will come about—our people have long expected the coming of tomorrow. You have already been aware of the tasks that the police forces should undertake at present and in the future. We have definitively met here, but the time needed is not amply generous. I understand, however, that all of you will stay here for a long time, and, in Phnom Penh within the framework of the State of Cambodia, we will be able to continue to meet. Tomorrow, some of the issues you want more information on can be resolved. I also wish to make clear that we will strive to sincerely abide by everything we are currently promising.

Before tackling the main issue, however, I wish to express my pleasure with the safety that you have enjoyed while staying in our Cambodian state. Since the 23 October signing, our police forces have exerted comprehensive efforts to implement the treaty with all sincerity. We will do everything possible to bring about genuine national unification and peace. Although we have the will to fulfill this, some difficulties will, to some extent, arise if the parties involved do not earnestly abide by the treaty. By all accounts, since the cease-fire appeal was launched and several rounds of talks were held, issues have been solved one after another, while the others remain a great worry for our people living in remote areas. In the future, anything can happen, so this will become a heavy burden for our police forces. Anyway, in implementing the treaty, our police forces will strive to do everything they can to effectively adhere to the agreement. We have considered all of you present here as well as those who are absent as the group that our police forces should protect. Some of you have travelled to various places on your own without any notification, and this concerns us. As you are already aware, all the warring Cambodian parties have a significant quantity of arms and ammunition in their possession, so offenses that can endanger lives, such as banditry and theft, are still being perpetrated. Sometimes, the available weapons permit those offenses to be committed even more cruelly than in the past. This is our primary concern regarding your security. We will do our utmost to protect you, and we will closely cooperate with you to effectively implement the 23 October treaty. We do hope that you will be willing to join us in efficiently carrying out this task. I would like to close the meeting. Thank you for your presence. [end recording]

Afterward, Gen. Sin Sen answered a number of journalists' questions.

Difficulty Seen in Ensuring Khmer Rouge Safety

BK1411011391 Bangkok THE NATION in English 14 Nov 91 p A4

[Text] The Phnom Penh Government said yesterday it would be "extremely difficult" to guarantee the safety of Khmer Rouge leaders during their stay here.

"As regards the safety of the Khmer Rouge, it would be extemely difficult to guarantee that. When the people see the Khmer Rouge and their collaborators, they will think of what they nad met before, under the Khmer Rouge regime," said Sin Sen, deputy interior minister at a press conference.

The Khmer Rouge had inflicted deep suffering on the Cambodian people, so it would be difficult to prevent the people from going for them," he added.

His comment came three days before the scheduled arrival of one of the Khmer Rouge leaders, Son Sen, who is expected to arrive on Sunday. Son Sen, who is known as "the butcher," will be the first Khmer Rouge leader to return to Cambodia after his guerrilla group killed over a million people during their reign of terror from 1975 to 1978.

Sin Sen said the safety of the Khmer Rouge would depend on their attitude and cooperation with the Phnom Penh authority, that pledged to provide security to all members of the Supreme National Council (SNC), which united the four rival Cambodian parties and is headed by Prince Norodom Sihanouk.

"If the Khmer Rouge leaders are to walk freely in the market, it is going to be difficult," he said. It is not known when the other Khmer Rouge leader Khieu Samphan will come to Phnom Penh.

Despite the Khmer Rouge's return to Phnom Penh, Sin Sen said the Tuol Sleng museum of genocide will not be closed, as a reminder of the crimes committed by the Khmer Rouge. The Tuol Sleng School was turned into a torture chamber for prisoners under the regime radical communist faction. At least 26 Thai fishermen from Chanthaburi and Trat provinces were also killed or died from torture.

Sin Sen cited the peace accord in the Paris international conference as saying that each of the 12 SNC members can have 10 security guards with them in the compound of their residence and that three guards can accompany them when they travel and only one when they work inside the SNC headquarters.

Some leaders of the two non-communist parties of Funcinpec [National United Front for an Independent, Neutral, Peaceful and Cooperative Cambodia] and the Khmer People's National Liberation Front [KPNLF] arrived in Phnom Penh early in the week and they were seen walking in the streets and meeting friends without any problem.

Leaders of a non-communist Cambodia party said yesterday that Cambodian history has turned to a new page and it depends on the factional leaders to assert the best things for the war-ravaged nation.

Penn Thol, cabinet chief of the Khmer People's National Liberation Front (KPNLF), said upon his return to Phnom Penh—for the first time since 1975—that the path of reconciliation "depends on the feeling of the members of the SNC (Supreme National Council). If you think of your country, it will work out."

"We turn to a new page and it is up to us to fill it up with good things taking into account the past experience," he said.

Penn Thol, who arrived with four other KPNLF members including La Presse and Meas Chanleap who is KPNLF ambassador to Japan, said the purpose of his mission here was to locate accommodation for former prime minister Son Sann and Ieng Muli, the two SNC members from his faction.

CIDSE Concerned About Khmer Rouge Inclusion

BK1311125891 Phnom Penh SPK in English 1115 GMT 13 Nov 91

[Text] Phnom Penh SPK November 13—The International Cooperation for Development and Solidarity (CIDSE) in Cambodia has shown its concern about the political reintegration of the Khmer Rouge leadership who were responsible for genocide and about the absence of any judicial action against these leaders.

In a press release made in Phnom Penh on November 12 at a meeting of the CIDSE Coordinating Committee on Cambodia, Laos and Vietnam being held here since Nov 10, CIDSE said that it was concerned that the peace accord signed in Paris last month lacks adequate guarantee of the security of the Cambodian people in the case of violation of the agreement by one of the Khmer parties.

It said the Khmer Rouge have shown themselves to be fierce enemies of democracy in the past, and that the international community has an obligation to the Khmer people to prevent a return to the human rights abuse of the 1970s.

CIDSE's meeting, which is due to be closed today, was organized to analyse the present situation and to set future priorities for its work in Cambodia during the transitional period.

The meeting welcomed the peace accord and expressed its hope that it would lead to peace, stability and justice for the Cambodian people after 20 years of war and suffering.

It supported the appeal by the International Committee of the Red Cross for a major de-mining operation in Cambodia before the repatriation of refugees from the border camps and the relocation of displaced people.

"The de-mining awareness programs launched by the UN must begin as soon as possible," the press release said.

The committee urged the United Nations Transitional Authorities in Cambodia to seek advice from the non-government organizations (NGO's) on appropriate areas for urgent mine clearance. The long-term experience of NGO's in Cambodia in catering to people's needs could contribute to more effective international efforts to help the people rebuild their war-torn country.

During the past 12 years, CIDSE has provided 34 million U.S. dollars worth of development assistance as a contibution to emergency relief, rehabilitation and long-term projects in the fields of health care, irrigation, education, training and agriculture, according to the press release.

CIDSE also appealed to governments and the international community to deliver large-scale relief and development aid to the Cambodian people.

Defense Ministry Discusses UNAMIC Arrival

BK1311141891 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1200 GMT 13 Nov 91

[Interview with Colonel (Neang Phat), spokesman of the Ministry of National Defense, by unidentified station correspondent; place and date not given—recorded]

[Text] [Correspondent] We have learned that, in the wake of the signing of the Cambodian peace agreement, a UN Advance Mission in Cambodia, UNAMIC, has now arrived in our country. Please, tell us about the arrival, composition, and role of this mission in our State of Cambodia.

[(Neang Phat)] As all of you already know, as part of the implementation of the agreement on a comprehensive solution to the Cambodian conflict signed in Paris on 23 October 1991, a UNAMIC delegation arrived in Phnom Penh on a Bangkok Airways plane at 0800 on 9 November. This group was headed by Ataul Karim, a Bangladeshi diplomat, a high-ranking liaison official, and the civilian in charge of UNAMIC. It also included Colonel Terry Tigogy of Indonesia as deputy military head of the mission; Major Arif Raiman of Indonesia; and Lieutenant Colonel Russel Stuart, an Australian and the commander of a communications unit to Cambodia. A C-130 from the Australian Royal Air Force landed at Pochentong Airport at 1430 on 10 November and another aircraft landed there at 1505. They carried 38 Australian and two New Zealand troops along with their personal belongings and some equipment.

I would like to inform you that there are not many people on this advance mission, but they come from many countries with different political systems. This is something quite new for our people and armed forces, considering our history.

I would like also to point out that UNAMIC's role has basically aimed three objectives: First, it is to be the symbol of the United Nations since the peace agreement signing; second, it is to monitor the cease-fire; and third, it is to proceed with the mine removal program.

[Correspondent] Please describe the preparations that our country has made for working with UNAMIC.

[(Neang Phat)] As is already known, the agreement we have signed is to a great extent due to the great efforts and concessions our State of Cambodia Government has made because our party and government want peace to end the war and wipe out the poverty of the people. Therefore, to successfully implement the accords—as it is the genuine goodwill of the State of Cambodia to do so—the Cambodian authorities and people have already made all preparations to cooperate with UNAMIC as much as possible so that this historic peace mission will be carried out successfully. We have prepared the living quarters and means of travel to the best of our ability. We wholeheartedly welcome UNAMIC and believe that it will succeed in its preparatory advance mission toward peacekeeping in Cambodia.

UNAMIC French Commander Comments on Arrival

BK1411024391 Bangkok THE NATION in English 14 Nov 91 p A4

[Text] The French military commander of the UN Advance Mission in Cambodia (Unamic) foresees "a difficult task" ahead for his team but expects cooperation from the leaders of all four Cambodian factions.

Speaking in French upon his arrival yesterday from Bangkok, general Jean-Michael Loridon said he was officially informed at 3 am on Monday of his appointment as the Unamic military chief.

He said the situation in Cambodia was new to him but that he expected "full cooperation" from the Cambodians.

"It is totally a new situation for me, and I have no experience in Indochina. I don't expect to face any security problem. The task will be difficult ... but I hope to receive full cooperation form the four factions," he said.

Asked if he expected any problems, Loridon said, "There are always problems. This is no exception, but we'll overcome them."

The 55-year-old general said he has under him 50 liaison officers wearing blue berets from 22 countries including the five permanent members of the UN Security Council, and contingents from Australia, New Zealand and France.

The 40-man Australian team will establish a communications system linking the Cambodian parties and the UN mission, the 20 members from New Zealand will implement the mine awareness programme while the French unit will oversee air transportation.

Loridon said he himself will command a 22-member lightly armed protection contingent and that the had the right to impose his authority on the Cambodian parties if he receives the green light from the UN Security Council.

Unamic, he said, will be based in Phnom Penh and will have a liaison officer at each of the three factions' military headquarters and two forward positions in Battambang and Sisophon. He expressed hopes of being able to travel into the countryside as soon as possible and that he "will try to reach each faction's headquarters from Phnom Penh" by helicopter.

French Mine Clearing Personnel Arrive 12 Nov

BK1411092591 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 14 Nov 91

[Text] French military personnel from the UN Advance Mission in Cambodia [UNAMIC], headed by Lieutenant General Michel Loridon, arrived safely in Cambodia on the afternoon of 12 November. The 43-member French military team, which is part of the 110-member French contingent, arrived according to the UN schedule aboard two UN transport planes—C-160 and C-130 and were warmly welcomed by Lt. Gen. Phuong Siphan, deputy chief of the General Staff of the Cambodian People's Armed Forces, at the international airport of Pochentong.

This is the second group of the UNAMIC's army staff that has come to Cambodia. Australian and New Zealand communications specialists arrived on 10 November.

Answering questions raised by national and foreign journalists upon his arrival to Pochentong Airport, Lt. Gen. Michel Loridon pointed out that the French troops' mission, part of the UNAMIC which also includes New Zealand military personnel, is to clear mines in a number of areas scattered all over the country. In the operations monitoring the cease-fire and clearing mines in Cambodia during the next six months, his team will be involved in directly contacting the four opposing parties to carry out the task.

The French general expressed ardent hope for the UNAMIC's success in Cambodia at the present time. The remaining French troops will arrive here from Ho Chi Minh City on 13 November 1991 by land and air.

PRC Expresses Thanks for Condition of Embassy

BK1311123391 Phnom Penh SPK in French 1149 GMT 13 Nov 91

[Text] Phnom Penh 13 Nov (SPK)—A Chinese diplomat from Beijing has praised the State of Cambodia [SOC] for taking good care of the site of the PRC's former Embassy in Cambodia. Mr. Yang Yaozong met with General Tie Banh, member of the Supreme National Council [SNC] and minister of national defense of the SoC, in Phnom Penh on 13 November and conveyed to him his thanks to the SOC authorities for their good cooperation.

Gen. Tie Banh declared that the former embassy site would be returned to China next week. Yang Yaozang has been in Cambodia since 8 November to make preparations for the installation of the Chinese Embassy in Phnom Penh and the opening of a mission to the SNC. Mr. Yang affirmed that a representative of his country would present his credentials to Prince Norodom Sihanouk by next month.

Indonesia

Further on East Timor Shootings, Reaction

Governor Demands Explanation

LD1311195791 Lisbon RDP Antena 1 Radio Network in Portuguese 1900 GMT 13 Nov 91

[Text] LUSA has reports that East Timor Governor Mario Carrascalao has threatened to resign in the aftermath of the Dili massacre. A short while ago, we managed to contact Mario Carrascalao on the telephone. Though he did not confirm the report of his impending resignation, he said that he has demanded an explanation from Indonesia and called for drastic measures against those responsible for the massacre:

[Begin Carrascalao recording] Yesterday's events should not have happened; events should not have taken such a turn. I will investigate why everything happened and who was responsible—all the relevant information. I will then pass the information to Jakarta and ask them to take drastic steps to ensure that nothing like this will happen again, because I am not prepared to witness another situation like this. [end recording]

Separatists Vow Revenge

BK1411013291 Hong Kong AFP in English 0020 GMT 14 Nov 91

[Text] Sydney, Nov 14 (AFP)—East Timorese separatists pledged Thursday to make Indonesia's President Suharto and Defence Minister Benny Murdani "pay for their crimes" after the slaughter of more than 50 civilians by government troops.

Speaking on Australian radio from London, Jose Ramos Horta, spokesman for the Fretilin movement, called for an arms embargo against Indonesia "in the face of this atrocity," carried out Tuesday in the capital of East Timor, Dili. "Those bastards in Jakarta, those crooks Benny Murdani and Suharto and the others, they will pay for their crimes," Horta said. "In due course we will step up our offensive in every area, and that will include (the) diplomatic, and I am confident that international pressure will increase on Indonesia," he said.

Demonstrators who picketed the offices of Indonesia's Garuda Airline here Wednesday said further protests were planned for Thursday in Sydney and Canberra, where Prime Minister Bob Hawke is under pressure to cancel a planned trip to Jakarta in February. The Australian Senate on Thursday passed a resolution calling on the government to protest "in the strongest possible terms" to Indonesia, and to continue to press for a full investigation into the slaughter.

Hawke's spokesman refused to comment when asked whether the prime minister's visit to Jakarta was still on. Horta urged the United States and Great Britain to cut off arms shipments to the Indonesian Armed Forces and said Australia should stop training Indonesian military and intelligence officers. "The same people who go and murder our children and our women are trained in Australia," he said.

The wife of Fretilin guerilla commander Xanana Gusmao meanwhile said the killings had been widely reported only because Western journalists were in Dili at the time. Speaking through an interpreter at her home in Melbourne, Gusmao told journalists there had been other killings since Indonesia invaded the former Portuguese colony 16 years ago. "It is only because a number of Western journalists were there that this incident has been covered so widely in the Australian media," she said.

ABRI Discredits Journalist

BK1311101191 Jakarta ANTARA in English 0825 GMT 13 Nov 91

[Text] Jakarta, Nov 13 (ANTARA)—The Armed Forces (ABRI) headquarters stated Wednesday it had no knowledge of any foreign journalist who was reportedly injured in a riot in Dili Tuesday morning, because no foreign citizen entering East Timor had been registered as a journalist.

"East Timor is an open region, anyone may enter it. Possibly those who were reported as journalists had got into the province on tourist visa," ABRI spokesman Brigadier General Nurhadi Purwosaputro told ANTARA.

A transnational news agency reported an American journalist had been injured in the Dili riot. Commenting on the report, Brig. Gen. Nurhadi said: "We didn't know there was a journalist there and if there was, why had he got involved in the mob riot?"

The journalist reportedly left Dili Tuesday afternoon. On the injuries he sustained, Brig. Gen. Nurhadi conjectured that possibly he had been trampled by the mob during the riot.

The event taking place at 07.30 hours local time Tuesday, the ABRI headquarters explained, began when church goers coming out from Dili's Motael Church after a morning mass merged with people returning from a cemetery and together moved toward the gubernatorial office and Turismo Hotel to meet a UN human rights team led by Pieter Koymaans.

Incited by Security Trouble Makers (GPK), the mob became agitated and turned wild and when an ABRI unit took steps to calm them down, friction occured leading to a number of casualties, among whom was a battalion deputy commander. Part of the mob had gathered in the cemetery apparently to pay homage to an East Timorese who was killed in a riot two weeks before. The ABRI headquarters estimated the rioting mob to number about 1000 persons, much less than the 5000 reported by a foreign media. For the whole population of Dili is only about 5000 and it was impossible that the whole populace had hit the road.

Arrests Include Separatists

BK1411051291 Hong Kong AFP in English 0459 GMT 14 Nov 91

[Text] JAKARTA, Nov 14 (AFP)—Several members of an East Timor separatist movement were among people rounded up by Indonesian security forces in Dili after Tuesday's shootings in which up to 50 people were killed, the official Antara news agency said here Thursday. East Indonesia military spokesman Lieutnant Colonel Anton Tompudung told Antara in Denpasar, Bali, that security forces had found "several members of the GPK" during intensive interrogations.

GPK, Security Disturbing Group, is the official term used by the authorities here to designate any anti-government movement in Indonesia. The separatist movement in East Timor is Fretilin which has sought independence for the former Portuguese colony since Jakarta annexed it in 1976. The United Nations still regards Lisbon as the legal administrator.

Military officials said scores of people were detained following clashes between what they termed "rioters" and security forces in Dili. Tampodung said the military had confiscated three hand grenades, a shotgun and a Mauser pistol, adding that this also indicated that GPK members were among the crowd.

(The military's version of events has been challenged by journalists, now outside the country, who witnessed the incident. They said troops fired into a crowd gathered at the Santa Cruz cemetery in Dili for a memorial service for one of two young Timorese killed in mysterious circumstances on October 28.

(They maintained the shooting was "deliberate and unprovoked slaughter.")

Armed Forces Chief General Try Sutrisno said Wednesday the death toll was below 50 but did not give an exact figure.

Student Says 'Terror' Intensifies

LD1311203891 Lisbon RDP Comercial Radio Network in Portuguese 1900 GMT 13 Nov 91

[Excerpts] The East Timorese resistance has reported that approximately 300 of the 400 people arrested and taken away by Indonesian troops in the wake of the Dili massacre remain under detention. We were able to contact an East Timorese student this morning:

[Begin recording] The situation is getting worse all the time. They are killing all of us. There were about 84 dead, and now another 13 died of their wounds last night. They have arrested more than 300 people and are keeping them at the Dili police barracks. The people are frightened, and there is nothing they can do. [end recording] [passage omitted]

The terror has intensified over the last few hours, as described by Ramos Horta, spokesman for resistance leader Xanana Gusmao:

[Begin Horta recording] There is no doubt that they are engaged in a major offensive aimed at routing, at liquidating the underground network and at intimidating the Catholic Church. [end recording]

The 14-year-old nephew of the bishop of Dili has also been detained, and his whereabouts are unknown. This is believed to be part of Jakarta's intimidation campaign against the Catholic Church in East Timor. It has been impossible to contact Dili Bishop Monsignor Ximenes Belo over the past few days.

A source connected with the Timor Democratic Union said that this morning the Indonesian authorities told the victims' relatives that they could go to the hospital to identify the bodies. When they arrived at the hospital, however, they were turned away by the troops. It turned out to be a ruse to identify the relatives of those killed.

Rights Group Confirms Army Actions

BK1411011491 Hong Kong AFP in English 2136 GMT 13 Nov 91

[Text] London, Nov 13 (AFP)—Five more people have died from wounds they received when the Indonesian Army opened fire on civilians in the East Timor capital Dili, boosting the death toll to 60, the Indonesian human rights organization Tapol said here Wednesday.

One of the new casualties was a New Zealand journalist, Kamal Bana Dhaj, who died in hospital in Dili on Tuesday night, the group said. Tapol said a total of 60 people were killed at Santa Cruz cemetery Tuesday when the army shot into a crowd of "unarmed" civilians mourning a young man killed by the army on October 28. (Earlier, in Jakarta, the army said 50 "at the most" died and 20 others were wounded.)

Tapol said that more than 100 people, who were undressed, beaten and tortured, remained in detention in the Dili police headquarters, known as Polwil. Others were taken to Kodim, the district's military headquarters, and "are believed to have been knifed to death," it said.

Troops have surrounded the hospital, Kodim and Polwil, and are refusing to allow access to the victims' relatives, Tapol said, adding that there was an atmosphere of "great fear" in Dili.

(In Geneva, the International Committee of the Red Cross expressed concern over the massacre and called for "immediate access to everyone detained in relation with the recent events."

(After the massacre, about 30 people "took refuge at the ICRC delegation, where the delegates were able to take charge of them," the Red Cross said.

(Delegates, authorized to move freely, were able to escort most of these people back to their homes, the Red Cross said.)

Catholic Bishop Shelters 257

BK1411064091 Hong Kong AFP in English 0551 GMT 14 Nov 91

[By Pascal Mallet]

[Text] Dili, East Timor, Nov 14 (AFP)—East Timor's Roman Catholic Bishop Carlos Ximenes Belo said Thursday that 257 young East Timorese were given refuge by his episcopate office shortly after Indonesian troops fired on a crowd of mourners here Tuesday.

The shootings, in which up to 50 people were killed, occurred at the Santa Cruz cemetery during a memorial service for one of two young Timorese killed in mysterious circumstances here on October 28. "On Tuesday morning, 257 young men came here to seek refuge, coming from the cemetery in different ways," Belo, a native of East Timor, told AFP. He said he had personally accompanied some of them back to their own homes later the same day and on Wednesday.

Belo said he went to the local military hospital Wednesday and counted 89 young men with either bullet or stab wounds, or both. "As to the exact death toll, I don't know," Belo said, adding that while the military maintained there were 13 dead, other sources, including witnesses, had told him between 50 and 80 people died in the shooting.

He said an army major had been stabbed during the clashes Tuesday and he believed that could have sparked the soldiers' fury. Belo said that since October 28, when two Timorese were killed during a clash between separatist and security forces near the Motael church, he had been cut off from the rest of the world.

"My telephone has not been functioning since October 28...It is not a coincidence. Every time there is a special event here, my phone doesn't work," Belo said. Since then, he had also not received any letter from the Vatican or from the apostolic nunciature in Jakarta.

However, "I have received anonymous letters and phone calls, certain of them calling me pig," he said.

The bishop, who unlike other Indonesian Bishops is directly responsible to the Vatican, said he had met with visiting UN Human Rights Commiission Representative Pieter Kooymans and East Timor Military Commander Brigadier General Warouw on Wednesday but declined to give details. He said he had also sent a letter to Jakarta-appointed East Timor Governor Mario Viegas Carascallao refuting charges by Indonesian authorities that the church and members of the religious community had some responsibility for the series of incidents on October 28 and Tuesday. The accusations were "false," said Belo.

Belo also said in his letter that one of the two victims of the October 28 incident was known to work for Indonesia's security agency and the other was a separatist. He said that incident was a result of "provocation" by the authorities.

Tuesday's memorial service had been for the separatist.

Indonesian Armed Forces Commander General Try Sutrisno told journalists at the presidential office Wednesday that Tuesday's death toll was still being established but it would stand at below 50. He also said religious leaders should ensure that churches and other holy places were not used for destructive activities, including efforts "to fish for unrest."

The military had said that the search of the Dili church compound yielded anti-government flags, banners and posters as well as knives and sticks. Questioned on what were his intentions in the near future, Belo said that his duty was to remain among his people and "suffer in joy" while waiting for better times and a peaceful solution to the problems of East Timor.

Indonesia annexed the former Portuguese colony of East Timor in 1976. The Fretilin, a pro-independence movement, has since sought independence from Jakarta for East Timor, while the United Nations still regards Lisbon as the administrator of the territory.

Australian Aid Worker in 'Shock'

BK1411061691 Hong Kong AFP in English 0559 GMT 14 Nov 91

[Text] Melbourne, Nov 14 (AFP)—An Australian aid worker leapt a fence to save his life after Indonesian troops started firing on mourners at Santa Cruz cemetery in East Timor, an overseas aid group said here Thursday. Community Aid Abroad (CAA) spokesman Jeff Atkinson told a media conference that Bob Muntz, 44, was at the cemetery watching a memorial procession for a young man killed by security forces two weeks ago when the firing started.

"Bob is close to a state of shock and not in a fit state to talk to the news media," Atkinson said. Muntz, a CAA project officer, had flown out of the East Timor capital of Dili and was resting in Bali Thursday.

If well enough, he could hold a news conference in a day or two when he returns home. "He was at the cemetery when the shooting broke out and jumped over a fence to safety when the gunfire started," Atkinson said. Muntz slightly injured his leg on the fence, he said.

Alatas Describes Consuls' 'Heavy' Tasks

BK1011054091 Jakarta ANTARA in English 0407 GMT 10 Nov 91

[Text] Jakarta, Nov 10 (ANTARA)—Foreign Minister Ali Alatas reminds that the tasks of an Indonesian Consul and Charge D'affaires in Darwin, Australia, and Windhoek, the Namibian capital, are quite heavy.

In his address during the installation of five consuls general, a consul and a charge d'affaires at his office here Saturday, Alatas said there are many refugees from East Timor in Darwin, while Namibia directly borders with countries which adopted a negative attitude toward Indonesia with regard to the East Timor issue. Many refugees from East Timor are also staying in the Northern Territories, Alatas said.

The newly appointed consul to Darwin is Benedictus Sarjono, while Sugio Sosro Sumarto Ma will be charge d'affaires in Windhoek. The five consuls general are Achmad Suryadi for Houston, Haridadi Sujono for Los Angeles, Lillahi Grahana Sidharta for Jeddah, Mohamed Saleh Jakaraamijaja for Sydney, and Edward Christian Simanjuntak for Hamburg.

In another part of his speech, Alatas said the Indonesian presence in Namibia could be used for enlightening its neighbouring countries on the present developments in East Timor. He said for the time being the Indonesian representative mission in Namibia will be headed by a charge d'affaires.

In the meantime Alatas told the new consul general for Jeddah that although the trade between Indonesia and Saudi Arabia had long been established, the volume and value were relatively still small. The latest statistics on the matter even showed that there has been a drop in the last several years. The trade volume reached an average of 700 million U.S. dollars per year. The balance of trade still showed a deficit for Indonesia, Alatas added.

Another important aspect is that Jeddah is the seat of the Secretariat General of the Organisation of Islamic Conference [OIC]. The Indonesian consul general in Jeddah has therefore the extra task of maintaining and developing the cooperation with the OIC Secretariat General, he said. He also told the newly appointed consuls general for Houston, Los Angeles, Hamburg and Sydney, to further promote the existing cooperation in investment, finance, and technology transfer in the fields of oil, health, and tourism.

Alatas Hopes Madrid Conference Creates Momentum

BK1011054491 Jakarta ANTARA in English 0416 GMT 10 Nov 91

[Text] Jakarta, Nov 9 (ANTARA)—Foreign Affairs Minister Ali Alatas said here Saturday that Indonesia expected the Madrid conference would create an appropriate momentum for achieving a peaceful solution of the Middle East conflict.

"All parties have since the very beginning presumed that negotiations between two rivals—Arab countries (Syria, Lebanon, and combined delegation of Jordan-Palestine) and Israel—will take a long time," he said after installing five Indonesian consul generals, a consul and permanent charge d'affaires.

He was commenting on the recently held Madrid conference between Israel and Arab countries, which was co-sponsored by the United States and Soviet Union. "But experiences taught us," said Alatas, "Once a process had been running, it usually would get a special momentum and this time we hope it would go the same way." He cited the Cambodian problem as an example. "At the first stage, all the conflicting parties sat individually, without clearly representing any groups in the country, during a meeting, which was then called Jakarta informal meeting."

Shipyard Welcomes Repair of U.S. Navy Ships

BK1411065091 Hong Kong AFP in English 0632 GMT 14 Nov 91

[Text] Jakarta, Nov 14 (AFP)—Indonesia has opened a state-owned shipyard in east Java for commercial repairs on foreign ships, including those of the U.S. Navy, Research and Technology Minister Bakhruddin Yusuf Habibie said Thursday.

Negotiations between P.T. PAL shipyard in Surabaya and the United States Navy for the commercial repair of U.S warships there were already "final," and the service would start once the equipment and the language capabilities of the yard's employees were upgraded, Habibie said. "PAL is not only open for the United States but military ships from any other country as well, as long as they pay," Habibie told journalists after meeting President Suharto.

A recent report in an international magazine said that Washington could possibly approach Indonesia for the use of maintenance facilities on a commercial basis at P.T. PAL and at Siabu air training range in Sumatra. Habibie said that Suharto had already given his approval long ago for P.T. PAL to develop itself so as to be able to sell its service to foreign shipping companies, commercial or military.

P.T. PAL has since had negotiations with the U.S. Navy, here and in the United States, he said. The two remaining requirements to be met before P.T. PAL could start repairing U.S. Navy ships were the upgrading of the technical equipment and also the ability of its employees to master English for their work, Habibie said. He did not say when the requirements could be met nor when the services could start.

Replying to a question, Habibie said PT PAL did not have the facilities to repair nuclear-powered warships. Indonesian Armed Forces Chief General Try Sutrisno said earlier this week that the shipyard was open for commercial repairs but declined to say more when asked whether U.S. warships could use the facility.

Minister Urges Discussion on New Oil Quota

BK0811131691 Jakarta ANTARA in English 1232 GMT 8 Nov 91

[Text] Jakarta, Nov 08 (OANA/ANTARA)—Indonesia proposed here on Friday that oil ministers of the OPEC member countries would discuss a new quota formula in their meeting in Vienna later this month with regard to preventing the oil price from decreasing when demands dropped.

Minister of Mines and Energy Ginanjar Kartasasmita said it was important to discuss a new quota formula in preparations for setting production levels at a meeting in March next year. "We wish that a new quota system could be discussed during the meeting in Vienna at the end of this month so that discussions on production levels in the meeting in March next year would run smoothly," he said.

He recalled that in the second quarter of 1992 it was estimated that the price of oil would drop because of the drop in market demands as well as the presence of summer and oil from Iraq and Kuwait. He said that the new quota formula would be based on the July 1990 formula namely 22.3 million barrels a day with little adjustment made according to the market condition.

"Indonesia is concerned with preventing the price from falling sharply below the OPEC benchmark price and therefore I consider the meeting at the end of this month very significant," Ginandjar said.

The capacity of Indonesia's crude oil and condensate is around 1.65 million barrels a day while its production rate stood at around 1.42 million barrels a day (Oct 1991). The price of Indonesian oil stood at around U.S.$21 per barrel in October 1991.

In order to safeguard the price rate so that it would be commensurate with the benchmark price of the national budget which is U.S.$19 a barrel Indonesia cut its production around 50,000 barrels a day between November and December this year, the minister said. He admitted that Japanese buyers had complained about an overprice, but they generally could understand the situation.

Suharto To Visit Mexico in 'Near Future'

BK1211110191 Jakarta ANTARA in English 1020 GMT 12 Nov 91

[Text] Jakarta, Nov 12 (OANA-ANTARA)—President Suharto hoped that his state visit to Mexico in the near future would further deepen mutual understanding and foster friendly relations between the peoples of the two countries.

The head of state expressed the hope when receiving credentials from Mexican Ambassador to Indonesia Alberto Campillo Saenz at the Merdeka Palace here on Tuesday. During the ceremony, the president was accompanied by interim Minister of Foreign Affairs L.B. Murdani and Minister/State Secretary Murdiono.

"I want to make use of this state visit to exchange views with him (President Carlos Salinas de Gortari) in order to deepen mutual understanding, tighten friendship and increase cooperation between our two nations and states," the president said. Touching on efforts to strengthen relations among developing countries, the president hoped that Group 15 (G-15) summit planned in Caracas, Venezuela, shortly, would contribute significantly to the establishment of a new world order which guarantees the creation of even justice.

Police Chief Sentenced for Assisting Aceh Rebels

BK1011155191 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 10 Nov 91

[Text] The Banda Aceh Military Court has sentenced Police Chief Sergeant (Ahmad 'Aziz Baki) to a 10-year jail term after finding him guilty of assisting the GPK [Security Disturbance Movement] in Aceh. In its verdict, the Military Court's session, chaired by Lieutenant Colonel (Ron Anwari), said that ('Aziz Baki), 45, was found guilty of committing subversive activities by giving 100 rounds of ammunition to GPK leaders to launch violent and terrorist activities.

The court reached its verdict after conducting a cross examination of five witnesses and considering the arguments by the public prosecutor and the defense counsel.

Laos

Ministry Welcomes U.S. Decision To Upgrade Ties

BK1411123291 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 14 Nov 91

[Statement issued by the Foreign Affairs Ministry on 13 November]

[Text] On the night of 8 November 1991, U.S. President George Bush announced a decision to upgrade U.S. diplomatic relations with the Lao People's Democratic Republic [LPDR] to the ambassadorial level. The LPDR Foreign Affairs Ministry would like to issue a statement in this regard as follows:

The LPDR Government welcomes this announcement with pleasure. The announcement was made in furtherance of the decision reached between His Excellency Phoun Sipaseut, foreign affairs minister of the LPDR, and His Excellency James Baker, secretary of state of the United States, following their meeting in Paris on 23 October 1991. This announcement is considered a significant step in the two countries' efforts to improve and normalize bilateral relations.

Monthly Meeting Held With Thai Military

BK0911083591 Vientiane Vitthayou Hengsat Radio Network in Lao 0430 GMT 9 Nov 91

[Text] On the afternoon of 7 November a monthly consultative meeting was held as scheduled by the Lao-Thai joint military committee led by Colonel Thongvan, its acting head, and the joint Thai-Lao military committee led by Colonel Samreong Chatharukha at Na Heao District, Loei Province of Thailand.

As host of the meeting, the Thai side informed the Lao counterpart of the various incidents that have taken place along the border of the two countries. The two sides exchanged views in an atmosphere of good neighborliness.

At the meeting, the military committees of the two sides and the local administrations also agreed that the Lao and Thai peoples should give one another preferential treatment trading and exchanging goods. They also agreed to build a permanent bridge across the Heuang River. The bridge is expected to be built in the near future.

Information Delegation Concludes SRV Visit

BK1411021391 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 11 Nov 91

[Text] The Ministry of Information and Culture delegation led by Deputy Prime Minister Paseut Sisanon returned home from a week-long visit to the SRV on 5 November. The visit sought to exchange experiences with the Vietnamese side and contribute to strengthening the special solidarity between Laos and Vietnam.

During its stay in the SRV, the Lao delegation paid a courtesy call on Nguyen Khanh, vice chairman of the Council of Ministers of Vietnam, met and exchanged experiences with various organs engaging in culture work at both central and local levels, and visited a number of production facilities.

Asian Development Bank Opens Loans Seminar

BK1311144491 Vientiane KPL in English 0908 GMT 13 Nov 91

[Text] Vientiane, November 13 (KPL)—A seminar on payments of AEM's [expansion unknown] loans, the first of its kind held in Laos, was opened' at Lan Xang hotel yesterday under the aegis of the Asian Development Bank [ADB].

The 3-day seminar has gathered over 30 Lao officials concerned with the ADB's loans payment from ministries, Vientiane municipal services, and from Champassak Province. It aims to offer the officials with knowledege and experience on effective use and management of loans in socioeconomic development according to the bank's basic policy and approach. Over the past 15 years, Laos has received some U.S.$271.5 millon in loans from the ADB, 12 million of which have already been paid for various development projects such as those for agricultural promotion, hydropower construction and and building.

Seminar on Road Building With Sweden Ends

BK1311114891 Vientiane KPL in English 0900 GMT 13 Nov 91

[Text] Vientiane, November 13 (KPL)—The 2d day seminar on Lao-Swedish cooperation in socioeconomic development wound up in Lan Xang Hotel yesterday afternoon.

Addressing the closing session, both Deputy Minister of Communication, Transport, Post and Construction Mr. Himmakon Manotham and Charge d'Affaires of the Swedish Embassy to Laos Mr. Per Gustav Kokeritz talked positively about the success of the workshop in terms of what was achieved for more effective cooperation between Lao and Swedish sides in the future and in the constructive atmosphere the discussion was conducted.

The exchange of views was focussed on future SIDA [Swedish International Development Agency] aid, particularly in 1991-94 in which the major work will be the construction of the strategic road No. 13 spanding from Vientiane-Pak Kading (Bolikhamsai Province).

Philippines

Aquino Agrees to Saudi Meeting on Moro Rebels

HK1411034091 Quezon City MALAYA in English 4 Nov 91 p 2

[By Chit Estella]

[Text] President Aquino is agreeable to send officials to Saudi Arabia to discuss with representatives of the Moro National Liberation Front [MNLF] the festering problems in Muslim Mindanao, a ranking official of the Organization of Islamic Conference [OIC] said yesterday.

After meeting with the President in Malacanang, Ibrahim Salch Bakr, OIC deputy secretary general, also hinted that the MNLF can still be a regular member of the OIC.

"She agreed that we could bring the parties ... to sit together in Saudi Arabia and discuss the problem face to face under the umbrella of the Organization of Islamic Conference," Bakr said. "We are glad (to hear that)," he added.

Such a meeting, however, apparently does not put an end to the MNLF's longstanding quest to become part of the OIC, an organization of Islamic states.

A regular membership in the OIC will be a big step for the MNLF in its goal of winning secession for the Muslim provinces from the Philippines. At present, the MNLF is an observer member.

Bakr said the wish of the MNLF "will be relayed to the foreign ministers' conference and it is up to the conference to (act on this)." But he himself does not know how the conference will decide.

"We will consider it but whether it will be accepted or not, it is not for me to say," he said.

The OIC will hold its summit of Islamic heads of state on Dec. 9 in Senegal.

Describing his meeting with Mrs. Aquino, Bakr said he believes his discussions with her had been "very fruitful and positive."

"She was very kind. She understands the problem very well," he said.

Bakr was invited by Mrs. Aquino to see for himself the steps taken by her government in granting autonomy to Muslim provinces. Four such provinces had been granted autonomy following a plebiscite: Sulu, Tawi-Tawi, Lanao del Sur and Maguindanao.

The MNLF, however, rejected the autonomous scheme drawn up by the Aquino government, saying it was not in compliance with the spirit of the Tripoli Agreement. The MNLF reportedly did not want the holding of a plebiscite to determine the scope of the autonomous region. But the Aquino government insisted on the plebiscite, saying consultation with the people was a necessary ingredient in deciding on the future of such provinces.

Although originally predominantly Muslim, the populations in the provinces previously regarded as Muslim have become increasingly Christian because of the migration of people from Visayas, Luzon and other non-Muslim areas. In many places, the Christian population already out-number the Muslims.

Five Senators To Join Ruling Coalition

HK1111021691 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 10 Nov 91

[Text] House Speaker Ramon Mitra Jr. has confirmed that five senators are expected to join the ruling coalition Struggle of Philippine Democrats [LDP], a move which could trigger a change in the senate leadership. Mitra identified the five senators as: Agapito Butz Aquino, Ernesto Herrera, John Osmena, Mamintal Tamano, and Orlando Mercado.

According to Mitra, the addition of these five men to LDP ranks will give the party the majority in the Senate. He added that there may be changes in the upper chamber following the increase in the number of ruling coalition senators but refused to comment on whether the move will result in Senator Jovito Salonga's ouster as senate president.

A Senate source claimed that the conversion of the ruling party LDP to the majority party in the Senate could pave the way for changing the political system from presidential to parliamentary. Meanwhile, House Speaker Mitra has revealed that he was trying to convince former Executive Secretary Oscar Orbos to rejoin the LDP because he considers Orbos a standard bearer for vice president in the 1992 elections.

Laurel Faction Expels Enrile, Cojuangco

HK0911034291 Manila Far East Broadcasting Company in Tagalog 0100 GMT 9 Nov 91

[Text] Former Ambassador Eduardo Cojuangco's camp downplayed Vice President Laurel's decision to expel them from the Nationalista Party. Former Assemblyman Gualberto Duavit said that Laurel does not hold any power to enforce an expulsion order. Isabela Congressman Rodolfo Albano added that Laurel's action will help them. Previously, Laurel's group formally expelled Senate Minority Floor Leader Juan Ponce Enrile and former Ambassador Eduardo Cojuangco and his allies.

Cojuangco Faction Confirms Presidential Ambitions

HK1211121091 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 12 Nov 91

[Text] The Cojuangco faction of the Nacionalista Party [NP] decided today to elect its own national president and replace Vice President Salvador H. Laurel as party president and Senator Juan Ponce Enrile as party secretary-general. Former Rizal Governor Isidro Rodriguez was elected president of the NP by a national directorate which is recognized by the faction.

Other officials elected by the Cojuangco faction were: Former Cebu Governor Eduardo Gullas as executive vice president, former Assemblyman Manuel Garcia as secretary-general, Douglas Lulong as treasurer, and Attorney Estelito Mendoza as the party's general counsel.

In his acceptance speech, former Governor Rodriguez expressed his hope that Vice President Laurel and Senator Enrile will continue to work with the party. He added that it is only under his faction that the opposition can have a chance to win in the 1992 elections.

Here is an excerpt of former Governor Isidro Rodriguez's speech:

[Begin Rodriguez recording] It is also sad to see that some of our leaders may have committed mistakes because of their failure to understand the situation. Thank goodness that there are many Philippine youth who are prepared to face up to their responsibilities to the country and to the times. So let us stand as one and accept the challenge, because it is the motherland, and each and every Filipino who will benefit from this. [applause] [end recording]

In a related development, former Ambassador Eduardo Danding Cojuangco claimed that he did not interfere in the actions of the newly-elected NP officials who are affiliated with the Cojuangco faction. According to him, the elected NP officials have no political ambitions of their own and are thus free to accept anybody's nominations to become the party's standard bearer, including those from Vice President Salvador Laurel and Senator Juan Ponce Enrile.

Cojuangco also stressed that he was actively seeking the party's nomination. [sentence as heard]

Here is an excerpt of the statement by presidential aspirant Danding Cojuangco: [Begin Cojuangco recording in English] The people that were being chosen by this party as its officers have no political ambitions of their own, and, therefore, we can presume that they will be just and fair to everyone who would want to participate here. Everybody, I suppose—I have not talked to the newly-elected officers—everybody will be welcome to join the race. [end recording]

Cojuangco also confirmed that he would not attend an NP national directorate conference Senator Juan Ponce Enrile will convene this coming Friday.

Marcos Jr Discusses Political Plans, Family

HK1311131391 Quezon City ABS-CBN 2 Television in English 1430 GMT 12 Nov 91

[From "Inside Story" program: Interview with Ferdinand "Bong Bong" Marcos Jr. by program host Loren Legarda on 12 November; place not given—live or recorded]

[Text] [Legarda] Joining us on Inside Story tonight: Ferdinand Marcos Jr. Welcome to the show, Bong Bong.

[Marcos] Thank you.

[Legarda] Could you please tell us: What was your life like in your six years of exile?

[Marcos] Well, I would say there were several pages to it. Obviously, the hardest and most difficult part was the first couple of years, and trying to deal with a new life and all the tirades against us by this government and other governments, and the enormous amount of legal problems which had to be dealt with.

Then, soon after that, my father took ill. So, that was very difficult too, but in a different way. So, it is a more personal—I would even call it an agony for us. And after he died, there was the process of returning. And although there was a little bit more upbeat and there was that-....[Marcos changes thought] Life was a bit more hopeful then.

So, all in all, having said all that I would still refer to this as valuable experience, and some things—although I would not recommend them to anyone—some things I value in the sense that I learned very much.

[Legarda] How have all these various experiences influenced your life? How have they changed you as a person, being head of the family now?

[Marcos] Well, I hope....[Marcos changes thought] One is more circumspect and one is more mature in one's approach to life. And realizing that the world is as it is, as opposed to being in a cocoon as I imagined I was previously. And facing things, facing up to things and-....[Marcos changes thought] On the other hand, the more optimistic point is that you also learn never to give up. When all those things look terrible and you would like to just lie down and forget about it all, you just must keep plugging away. Here I am six years on having plugged away, things have changed now and have made all that suffering worthwhile.

[Legarda] Now, when did you finally decide to return? You just appeared one day without fanfare, without anybody really knowing when. But when did you make your decision? And did this decision have anything to do with the former first lady's own plans?

[Marcos] Well, the decision to return home was not really ours. We wanted to, all of us wanted to return home from February 1986. We were just never given the opportunity to do so, and when the door opened for us to return home, it was just a question of finalizing certain practical matters, such as closing up where we were staying, finding out things like where we would stay here, what we would do, what program we would have. And then of course, there was the issue of father—his return.

So all those things coincided. And if you noticed, my mother and I returned. I think it is two months or three months after we were first given permission. So that is how long it took for us to decide exactly what we were going to do.

And yes, it had a lot to do with my mother's return in the sense that we were both allowed at approximately the same, at about the same time. And that is why we returned when we did.

She was very worried about everybody's return, especially about our security. Being a mother, she did not know when precisely I was coming home, but she knew I was coming home.

[Legarda] So you are saying that what the media reported, that your return was without the knowledge or consent of your mother, is this true?

[Marcos] Oh, I don't know about....[Marcos changes thought] well, in a sense, yes, because she did not know that I was arriving on that day and at that time. Although she did know that I was thinking, planning to return and was making the necessary arrangements to return. So, it was very sudden because I was in the process of getting my travel documents, and I was just saying: I am going to make the application now. The moment I got them, as a matter of fact in Singapore, from the embassy, the Philippine Embassy, I got the papers and went straight to the airport.

[Legarda] You did not think it was necessary for you to coordinate with your mother regarding your return?

[Marcos] Well, I did not see any, no necessity whatsoever. There was just the question of going home, and I wanted to be here as well to help arrange whatever needed to be arranged for her return and for my father's return. So, there was coordination in the sense that she knew what I wanted to do, but there was no necessity for minute-to-minute contact.

[Legarda] What is this about an alleged rift with your mother?

[Marcos] That is the....[Marcos changes thought] The operative word there is alleged. I think those of us who would like the Marcoses to be....to have a rift are spreading this. It is wishful thinking on our enemy's part.

You know that, when you have two very strong personalities like my mother and I, inevitably we will have differences of opinion, but that is natural and ordinary. We sit down, we talk about it, but there is no rift. There is no difference in opinion on any major point. She usually says my hair is too long, but that is about the rift we get.

[Legarda] Well, Bong Bong, I understand you have been quite busy since you returned. What have you accomplished?

[Marcos] Mostly what we have tried to do is meet our friends again, talk to the people, thanked the ones who have been very supportive in the last six years. Those who have really made some serious sacrifices on our behalf. They are the ones that we have had to see to and thank. Then, I am sure you know that we went back to the province, Ilocos Norte, to see what the....[Marcos changes thought] You see, we feel very much—I certainly do—that this is my home province. And if there anything that I can do to help them, I will do that. So I went back to say thank you. To visit the local leaders and visit the citizenry and to see what it is what they wanted me to do for them. And in fact, I will be returning later this week to continue those discussions.

So it is mainly having to renew old ties and say hello to everybody. Catch up with the news on the personal side and political side. And seeing, trying to determine precisely what position we will take, what niche or place do we want to occupy in the political process.

[Legarda] Which is? Have you finally decided? What are your own political plans?

[Marcos] Well, I think it has began to take shape. Definitely, the Marcoses would like to be part of a unified opposition. And if nothing else, if we can do anything to unify the opposition for the elections next year, that in itself would be a major achievement. We would be happy with that. There is no way that we can support the administration. There is no way that we cannot try and change the administration. And we feel that the best way to change the administration is to present a unified opposition.

[Legarda] But at this point the opposition is quite fragmented. What efforts have you done, have exerted to unify the opposition?

[Marcos] Well, it is November now. It is a long way off and I am quite optimistic. I mean, I think any astute political observer will realize that the only way to win this election is to be unified. And I do not think anyone would jeopardize the chances of the opposition—anyone in the opposition would jeopardize the chances of the opposition by being a spoiler. It would be there, on their heads, causing the opposition to lose. And I do not think anyone wants to be in that position.

So, this is the normal process of finding a nominee, of finding a leader. And for our part, we are outsiders looking in. So like....[Marcos changes thought] I know that much of the papers and the news on the television and radios are being taken up by the NP [Nacionalista Party] and the maneuverings that are going on right now.

I do not belong to the NP, so it is not my place to be saying these to the others.

[Legarda] You are with the KBL [New Society Movement].

[Marcos] I am with the KBL.

[Legarda] Will the KBL be expected to coalesce with the NP?

[Marcos] I do not know about coalesce. Coalesce implies that we would lose ourselves and our identity within the Nacionalista Party. I would very much like to maintain the identity of the KBL. It is the party that my father created. It is the movement that my father started and I would like to continue. However, realities are such that we know that the KBL is not the force it was in maybe 1985, 1986. Therefore, we must find ourselves another place, another role. And I think that role will probably imply that we allow ourselves, perhaps—and since NP is now the strongest single opposition force—we will allow ourselves, align ourselves with them. But I do not think we would like to lose ourselves in them.

[Legarda] This is a question a lot of people want to hear. The answer of which the people would like to hear: Is your mother running for president?

[Marcos] Well, she has stated again and again that she has no political agenda.

[Legarda] But if she does, would you approve of it?

[Marcos] Well, I am sure that if she may, if she has to sit down and make that decision, I am sure she would ask me my opinion. And I do not think....[Marcos changes thought] We come to these things by consensus. So, if she finally decided that she would run, I imagine that I probably would have told her that it would be a good idea. And if she said no, probably it was... probably because we have decided between ourselves that it was not a good idea.

So, whatever she does, I think, of course, we would approve. I am the son. I follow the mother. I do not tell her what to do.

[Legarda] But it has also been reported, Bong Bong, that you shall be supporting a different presidential candidate from your mother. How true is this? That you shall be supporting your godfather and the first lady will be supporting the vice-president?

[Marcos] Yes, I have read those too. That is funny because I have not...in myself, I have not decided. So, you have to understand that the reason that I am very close to my godfather is because he is my godfather. He was my father's political ally for thirty years. It is a very close personal relationship. I have known him all my life. And so, that personal relationship endures. I am not going to distance myself from him because people will speculate.

Solely to say that, again, it is a process that their party, the NP, will have to go through and decide. We are outsiders looking in. And when they have decided, we will see what we can do to help present again that united opposition.

I don't think that it would serve any purpose—having said that to all the united opposition—I don't think it would serve any purpose, my mother saying one thing and me another. That would be counterproductive. It is not something we would indulge in. It is foolishness.

[Legarda] You mentioned earlier, Bong Bong, that there is no way, of course, that you would support the present administration. Does it mean that reconciliation is not at all possible between the Marcoses and the present government?

[Marcos] Well, I think reconciliation is... [changes thought] has been done. I, this is, I say: Well, I cannot support the administration. I say that on the basis of their performance. I don't say that on the basis of what they have done to me personally or my family.

You see, one of the things that we arrived at in the six years of exile, what I did was it... [changes thought] Bitterness and anger serves no purpose. I was bitter and angry for a while, and then you think to yourself: I am going to be an angry, bitter old man and that is the last thing I want to be. I want to help and being vindictive and angry and being personal serves no purpose. So, you come to the conclusion that it is counterproductive. So, I have just removed it from...

[Legarda, interrupting] But are the doors for reconciliation still open?

[Marcos] There is nothing to reconcile. We are now... [changes thought] It is over. The, shall we say, the differences between the Aquinos and the Marcoses are simply political. The personal ones have dissipated, and really, as far as I am concerned, do not exist, have no place.

The reason I say I cannot support the administration is, again, on the basis of their performance and I cannot, in good conscience, stand by and watch the country go to ruins by continuing this administration's mistakes.

[Legarda] What are your final plans on the return of the remains of your late father?

[Marcos] Well, we are thinking about that very hard. As I... [changes thought] I think you may have seen in the newspapers, we have mentioned my going back to Honolulu and bringing him back. I think that is the next item on the agenda. It is just a question now of making, again, practical arrangements. I have to do things like make an application to the American Government and to the Philippine Government to be... [changes thought] to allow myself to travel. I still have no travel papers. So, I think I have to do it on a case-by-case basis.

Also, there has to be a decision about what kind of ceremony we want when he does arrive. Many people want to see him. Many people want to come up to the North. And that sort of thing has to be decided. But in principle, he will be coming back. I will be bringing him back.

[Legarda] How soon?

[Marcos] I hope to do all this. I hope to have this all done by... [changes thought] I hope to have him home before Christmas.

[Legarda] And in the meantime, you have to prepare yourself for the court battles.

[Marcos] Well....

[Legarda, interrupting] How have you been faring in this aspect?

[Marcos] I have looked at the cases they have filed against me, and they are a bit trivial to tell you the truth.

They have filed one case... [changes thought] A couple of cases here in Manila for nonpayment and nonfiling while I was gone, which is obvious harassment. They filed against me in Batac six cases for nonpayment, whereas I have papers. I have copies of receipts from the BIR [Bureau of Internal Revenue] which say that I have paid.

And I wonder, I mean, I wonder how important this really is to them in terms of the judicial framework. Simply because the total, I think, of what they charge me as owing the government is something like less than 100 dollars. I think that they are spending at least 10 times that much to bring this case against me. So I think it is fairly clear that these are just... [changes thought] This is a political agenda, not a judicial one. And I tend to view it as such. I know that I had... [changes thought] I have no wrongdoing and therefore, I am not particularly worried about them. I will face up. I will go to court.

Comparison of Abadia 5 Nov News Conference

CM1411132491

Quezon City Radyo ng Bayan in Tagalag at 1120 GMT on 5 November broadcasts a recording of the news conference in English by General Lisandro Abadia, chief of staff of the Armed Forces of the Philippines, with unidentified reporters at the Manila Pavillion Hotel on 5 November. This version has been compared with the referent Quezon City Radyo version published in the 5 November East Asia DAILY REPORT, page 27, yielding the following variation (italicized passage in Tagalog):

Page 30, column two, last paragraph, only sentence reads ...I was impressed.

I was also told that I can send some officers to look into their system. So what? It opens a lot of possibilities to the Armed Forces of the Philippines. I think we have no choice but to look within our region, and we have no choice but to cooperate for the stability of the region.

For example, my visit to Malaysia was very strategic in a...[changes thought] in the same result, in the sense that, for the first time, the chief of staff was given full honors. And I'm inviting all of my counterparts to come over here to receive full military honors from me. Although there are political differences, this does not prevent us, as military chiefs, ah, ah, sitting down at the table and trying to help our bit, or do our best trying to resolve some problems.

And, for example, in the issue of some detained illegal fishermen in Minados, I was able to talk to my counterpart to help in the release of these detained fishermen. And I think that paid off in the sense that those fishermen that have been detained in Minados have now been released. So perhaps it can be said that there can be a lot of things that are possible in the context of regional cooperation in the military, short of a military pact, but contributing to the stability and cooperation within the region.

[Reporter] So general, you don't believe that there are threats from our neighbors in the region, because this is one of the points that was brought up during the bases debate that without the American umbrella, we would be openning ourselves to threats from neighbors over territorial...

[Abadia, interrupting] I would say some, some plot points—if not contained, it can degenerate into something messy. [sentence as heard] And that we have agreed that if there are problems that we just...[changes thought]

The first step is to talk to each other. Discuss the issues at hand. I'm referring to the Spratleys. I think you are referring to that. That we have agreed that there are some problems in the region, not only involving some countries in ASEAN but outside ASEAN, because some countries outside ASEAN claim also some of the islands in the Spratleys —like the People's Republic of China and Taiwan and South Vietnam. So we have agreed that whatever differences we have in that particular area, we have to discuss this, rather than resort to military means to resolve an issue.

[Reporter] General, can we back track a bit to the Kapunan and [corrects self] the Red Kapunan and the 12 other officers who have rejoined the military ranks. First of all, are the moves you're taking or the moves you've been pursuing, are they well within the context of the recommendations of the Davide Commission? Aren't you bending some of those recommendations a bit?

[Abadia] Yes.

[Reporter] Number two, ah, ah, what's this technicality that appears at least in the media to have been discovered later in the game and has had to be corrected by reinstating them, ah, just so that technically they would be under military control?

[Abadia] Okay. When an officer is dropped from the roster, then we communicate to the commander-in-chief, the president. Second lieutenant so and so has been absent without leave for 90 days, therefore we are recommending that he will be dropped from the roster. Then it is approved by the president. Approved by the commander-in-chief, so to speak. So once he approves that, he is no longer a part of the Armed Forces. He is a civilian for all intents and purposes. So that when he is captured, he will not be under the custody of the military, but in the civilian jail, technically. So that I can have jurisdiction over these lieutenants, or over these officers. Whoever he is, he must... [changes thought] That anomaly must be corrected. So if the lieutenant comes back from abroad because he got sick and he was not able to report, he will justify it. He will justify to me: I was not able to return to the Philippines for 90 days because I was hospitalized at Houston Hospital. I have this confinement receipt, approved, et cetera, et cetera. So I'm convinced that he was...[changes thought] It was a force major situation that prevented him in coming back to the Philippines. So I write the president again and ask that he be restored, that he has testified, et cetera, et cetera. Otherwise, if he cannot be retored to the roster of officers, I do not have jurisdiction over him.

[Reporter] General, did you anticipate this...

[Abadia, interrupting] Yes.

[Reporter] This technical problem before you started the...

[Abadia, interrupting] Now, this is something that is normal. I mean it sounds a little abnormal to a civilian, but it is a fact of life in the military and so it happens every day—that a person is dropped from the roster and he is reinstated. Some people are dropped from ther roster and reinstated, dropped from the roster and returned to military control.

[Reporter] Was the spirit of the Davide Commission's recommendation, that they be dropped from the roster temporarily until they...

[Abadia, interrupting] No, of course not.

[Reporter] I think the layman's impression of those recommendations is that, you know, the government was going to deal with these people firmly, and...

[Abadia, interrupting] Well, we are not saying that we are not dealing firmly. If they have returned to military control, we still have to deal with them firmly. They will still have to face the courts.

[Reporter] That's certainly not as firm as being in jail. Well, I mean that's, that's a mild house arrest of sort.

[Abadia] Well, it's a decision that we must take. Now, you want us to shoot them?

[Unidentified speaker] No.

[Abadia] Oh, of course, yes. [chuckles]

[Reporter] No, I think, General, that the apprehension of most people with all of these reconciliation moves is that, were all the forces in the military, it be the rebel military, the loyal military, the constitutional military, and whatever else parties you have within your, the Armed Forces, uniting against whom? [sentence as heard] Maybe against the civilian population?

[Abadia] No. Uniting to serve the country and the people better, so that we can defeat the [word indistinct] enemies of the church. Not uniting against the government. I mean, that's something that I'll never tolerate. I have laid my life on the line many times for the government.

[Reporter] Well, someone like Linggoy Alcuaz has said that if for instance, if Mrs. Aquino...

[Abadia, interrupting] Well, Alcuaz is Alcuaz. Abadia is Abadia. And you have to take it from there, you know. [chuckles]

[Reporter] So it is not true. Would you like to deny here that if Mrs. Aquino runs for president, the military will be...

[Abadia, interrupting] No. If the Supreme Court allows her to run, then she can run—and she will just be another candidate.

[Reporter] But you have said that the military might...

[Abadia, interrupting] No I did not say that.

[Reporter] What did you say, General? [laughter]

[Abadia] What did I say?

[Reporter] You were saying about the military having the right to intervene in case...

[Abadia, interrupting] No. *You know that was the show of INQUIRER. Who is from INQUIRER here?* [laughter] Yes, that's true—and I hope the INQUIRER will not be mad at me. But I told Faye Zamora, you know I've been on the spot because of his article. I said that if there's going to be massive fraud, I would take over. [as heard] That's not what I said. And I'm going to say it to you. And I'm going to swear by the grave of my mother that I did not say that. [chuckles] It's just that I said that if there's going to be massive fraud, that there's chaos and confusion, I have to get the orders from somewhere. From the president if he still has the mandate to give orders, from the Congress, from the Supreme Court. And then if nobody gives orders, I said the Armed Forces of the Philippines and the Philippine National Police will have to restore order. Now there's a hell lot of difference between taking over and restoring order. [laughter] And that I've been editorialized and have been called all sort of names, for something I do not see. [laughter] And then you in the media must also kindly correct this impression that, you know, that I'm a son-of-a-bitch. [chuckles]

[Moderator] Next question from the audience.

[Reporter] Sir, you seem to be very confident of, ah, ah, of the underground rebels, ah soldiers, coming back. What guarantees are there that they will not be repeating the same destabilization activities of the past?

[Abadia] Well, I have given the [word indistinct] for the last seven months. And no, no threats, no nothing. I have not even a red alert for the last seven months [sentence as heard]. Not even on 1 November, which is usually when we are on red alert. I mean, something positive is happening. And you must make your conclusions on the basis of what's happening in the country. The dollar is stable. Investments are coming up. There is a newfound aggressiveness. Of course there's a wait and see attitude for 1992. The stock market is doing very well. Now if what I'm doing is wrong, then what is? [sentence as heard]

[Reporter] Mr. General, we understand that from several newspapers that there'll be back wages to the rebel returnees?

[Abadia] No, I did not say that. It's no work, no pay. [chuckles] I see that there are a lot of the things that are put into my mouth, which I never said or even whispered; because anything I say is quoted [as heard], sometimes twisted. And so the media must also be very kind and fair to me. I've been called all sorts of names. I've been called an asshole, [chuckles] I've been called incompetent, [word indistinct]. You know, I'm not, I think, what people write about me. I'm a normal human being just trying to do his job. I'm ambitious. I have a political agenda, et cetera, et cetera. I'd like to tell you, I'm just a soldier trying to do his job, to help the armed forces and to help this country. And I, say, for example, my superiors would say that, you know, that I resign from my job—I will.

[Reporter] I'd like to ask about this. I don't know, I don't want to thought to be harping on this issue. But I think one of the reasons why there has been a little bit of a negative reaction regarding the rebel soldiers is because, a) the [words indistinct] have believed that the military has the power to find these people if it really wanted to; and b) there are seen, there are perceived to be being punished or receiving any sort of, ah, ah, well, I guess punishment, further actions, which I think is the soul of the Davide Commission report, at least it could have said. [sentence as heard] And therefore this does not seek to discourage future adventurists from hatching such plans.

[Abadia] It is like a civilian, for example. If a civilian posts bail, he goes home. Now, the counterpart of that is he will be on arrest status in the articles or war. Now, this is a way of attracting the military rebels back to the fold of the law, because if I catch them, then they'll go to a confinement facility as I have done in the past. A captain can go to the detention center. Now, if you voluntarily return to military control, then I will give you that option to be on arrest status; because nobody will return to military control if he goes to the detention center. Now do you want that...[changes thought] I mean this is an alternative that has been approved by my higher [as heard] because I cannot do that without the approval of my superiors. I'm not doing it on my own.

[Reporter] General, there have been reports in the papers that some of the officers in the military are unhappy with...

[Abadia, interrupting] This is another INQUIRER story. [chuckles] This is an INQUIRER story that some generals, some colonels, but you know, as people...

[Reporter, interrupting] General, unnamed...

[Abadia, interrupting] Now, I want to, I want the media to identify that,so I can talk to that general. And I'll be having a command conference on the seventh, and I want to find out who do not like... [changes thought] I mean you...[changes thought] This is the policy of government. Those who do not agree to that policy, you stand up and speak. Now, if he, for example, will not...[changes thought] There is a policy of the government and you will not follow, I'm going to relieve you, period. Now who is this general? Who is this colonel? Because I'm going to put him to task. Now, this is a free country, but in the Armed Forces, if I say so, that is followed. And I want to see, I want to find out who this general is. And I'm now going to prove to you that, if he said that, then I'm going to relieve him, period.

[Reporter] General Abadia, I think the Gulf war has proven that America can no longer do, you know, policing of the world in terms of security—or does it now remain the single superpower? In an international conference in Bali, [name indistinct] said that the new order that the United States would like to see would be to have the different regions in the world look after themselves. You were discussing just now about cobwebs of military cooperation among the ASEAN. Do you see in the near future that cobweb cooperation will also include other Southeast Asian countries which happen to be communists? I'm talking about Laos, Vietnam and Cambodia. Thank you, sir.

[Abadia] Nothing in this world, nothing, is impossible. Like, for example, if you say it's impossible—it says let go into the moon. [sentence as heard] But not anymore. So, can you imagine now the closest of friends are the bitterest of enemies? In the past, we're talking of Japan and the United States. So in international relations, nothing is impossible.

[Reporter] General Abadia, I just wanted to confirm, there have been reports that you transferred General Soriano of Isabela to another command post?

[Abadia] That was a long time ago.

[Reporter] Yes, but the reasons for his transfer were... [changes thought] Why did you transfer him, because he was still seen effective against illegal logging and he was combating the powers that be in the region? Is this setting the example for neutrality in the election?

[Abadia] No. No, the reason was they're going to give General Soriano a chance to command the division after that Isabela because he is projected to also, for higher positions in the future. [sentence as heard] So that he can have experience dealing with the problems in region three and and one, I think.

[Reporter] Was there pressure for his transfer?

[Abadia] No.

[Reporter] So it was a military decision?

[Abadia] Yes. This was agreed between me and General Enrile. In the same manner that there is now a change in a division, a switch in the command. General (Harky) now is in the third division in Zamboanga and General Fernando is now in the Visayas commanding the third Infantry Division in Amindan, Capiz.

[Reporter] General, if you could return the rebel military officers, when they return to that status that you mentioned, will you be returning them to command over some military personnel or...

[Abadia, interrupting] No. That's a no-no. There'll be a time for purely administrative jobs, there'll be outside jobs that will be handling all kinds of military equipments, they'll be out of jobs in intelligence. It's just administrative. Maybe writing position papers and all that, studies.

[Reporter] What steps are you taking to ensure they don't get to talk to military people and influence them?

[Abadia] They're also not being allowed to go around the camps or visit units. I mean there's a lot of [word indistinct] he has to sign an undertaking or a... [changes thought] he has to sign a paper that he will not do this, will not do that, will not do this, will not do that. And if he violates that blatantly, then he will go back to confinement. So there is a... [changes thought] he must observe those do's and don'ts, otherwise, if he violates that, I'll put him back, even if he has returned to military control. Our arrangement is, if he violates that, then he will not enjoy that arrest status, he goes to the confinement facilities.

[Reporter] What about the status of a case against a Mr. Tiago? Going to hold a court-martial?

[Abadia] Yes, the court-martial proceedings will have to go on.

[Reporter] And do you have any schedule for that? Has Mr. Tiago advised you of any schedule for that? Or he...

[Abadia, interrupting] ...there is now an ongoing court-martial proceedings. And if the lawyers now are gluing him in the court. This has got to continue. Now, those that have been tried in absentia will now be facing trial in person.

[Reporter] Isn't it against the Constitution that somebody... [changes thought] the Constitution says that people may not be tried in absentia, isn't it? The Constitution states that people may not be tried in absentia.

[Abadia] No, yes, but no. I said he is now going to be tried in person rather than let his case be hanging there.

[Unidentified moderator] Yes, do you have other questions from the audience? Here's the microphone.

[Reporter] General, [words indistinct] appear not to have been persuaded easily. And we refer to Calajate, Turingan, they're being referred to in the media as adopting a hardline stance. What are the points that constitute this hardline stance?

[Unidentified anchorwoman, interrupting] Friends, we are listening to the "Round Table at the Pavilion" and our guest for tonight is no less than General Lisandro Abadia who has been discussing reunification, professionalization, and modernization of the Armed Forces of the Philippines. The "Round Table at the Pavilion" can be heard every Tuesday evening, over here at Radyo ng Bayan, 918 khz, from 1900 [1100 GMT] to 2000 in the evening. (supplying additional material)

Paper Reveals Results of Hong Kong Peace Talks

HK1411044991 Manila PHILIPPINES NEWSDAY in English 14 Nov 91 pp 1, 2

[By Dario B. Agnote]

[Text] Representatives of the government and the communist National Democratic Front who met in Hong Kong recently agreed on seven major points, the most important of which was for the two sides to hold a "more formal meeting" where this time the government negotiators would be armed with "proper authorization and mandate" from Malacanang.

This was learned by NEWSDAY from a four-page summary of the talks drafted by the NDF International Office based in Utrecht, the Netherlands, which was obtained from military intelligence sources.

The Hong Kong meeting was first reported by NEWSDAY early last month.

The agreement stated that no third-party government would be involved in the possible future talks between both sides.

The summary, dated September 11, was drafted by the NDF International Office based in Utrecht, the Netherlands, a copy of which was obtained from military intelligence sources. The document alleged that the two-day Hong Kong meeting "fell below NEF's expectations but moves the peace process forward."

Both parties acknowledged the need to form sometime in the future a negotiating panel representing government and the rebel forces which would discuss the details of the main talking points of the peace agenda.

They agreed that the next agenda would include "political, constitutional and electoral reforms," the document said.

The NDF, said the document, insisted on holding the projected formal talks outside of the country due to security considerations. "The next meeting could be held in Geneva, Brussels, Amsterdam or Utrecht," said the document.

The document added that Representative Jose Yap (LDP [Struggle of Filipino Democrats], Tarlac), the "initiator and the moderator" of the two-day taped meeting in Hong Kong, insisted on holding the meeting in Manila but this was apparently rejected by the NDF.

Government officials, including two of the country's top intelligence men, met with four NDF leaders in Hong Kong in what was seen as an unprecedented breakthrough in the peace impasse between government and the communist guerillas since the failed peace talks in 1986.

"Informally" representing the government during the two-day talks were Assistant Secretary of Justice Teresita de Castro, Philippine National Police deputy director Gerardo Flores and Brigadier General Alfredo Filler, the Armed Forces intelligence chief. The NDF was represented by Byron Bocar, NDF international Spokesman with a P [Philippine peso] 500,000 reward for his capture; Coni Ledesma, executive director of the NDF International Office; Asterio Paloma, NDF representative for the Nordic countries; and Luis Jalandoni, NDF vice chairman for international affairs and adviser to the group.

Other government authorities present during the meeting were Yap, who initiated the peace move, human rights lawyer Romeo Capulong, former NDF chairman Horacio Morales, Representative Eric Singson (LDP, Ilocos Sur), plus aides of these officials.

The document said it was the NDF which initiated the peace move sometime in November last year when Yap met with NDF stalwarts in Amsterdam. "The proposed meeting was intended to break the impasse and to get direct bilateral talks started," the document said.

But the peace effort "foundered" in December also last year when then defense secretary and now presidential aspirant Fidel V. Ramos "objected to the idea" especially in regared to Bocar's inclusion in the panel. Bocar, Ramos had insisted, was in the military's order of battle.

In June this year, Ramos "changed his mind," the document said, and he himself suggested the meeting to take place in Hong Kong.

The officials impressed upon the NDF representatives that the Hong Kong talks were merely "preparatory and exploratory" which lacked official mandate from Malacanang that could have allowed them to enter into any agreement with the rebel forces.

Nonetheless, both sides proceeded with the talks which later yielded seven agreements. These include:
—that the meeting was a "first step" toward the peace process designed to achieve a "peaceful political settlement" of the armed conflict;
—that there would be a "more formal" next meeting where the government side would come with proper authority and mandate from Malacanang;
—that the new meeting would tackle remaining points of the Human Rights and International Humanitarian Law issues discussed in Hong Kong;
—that the next agenda after the human rights issues would be "political, constitutional and electoral reforms;"
—that the next meeting "could be in Geneva, Brussels Amsterdam or Utrecht without any third party-government involvement;
—that there was a need to form negotiating panels of both sides "at some point in the peace process";
—and that lines of communication between the wo sides should be maintained.

There have been speculations that a second meeting was held in an undisclosed place here in Manila, but there has been no official confirmation of the reports. Both military and underground sources privy to the talks were tightlipped about the talks.

The NDP representatives have invoked security reasons in refusing to meet with the government panel in Manila.

In fact, they also refused to meet with the same authorities in Bangkok since Thailand and the Philippines have extradition treaties.

Government officials insisted it was impractical to hold talks abroad, considering the country's dire economic state.

The government has embarked on a tedious peace process to help resolve both the communist and military rebellions that have beset it for years now.

Thailand

Anan Sends Support Letter to Sihanouk on Return

BK1411013891 Bangkok BANGKOK POST in English 14 Nov 91 p 1

[Text] Prime Minister Anan Panyarachun yesterday sent a lettyer to Prince Norodom Sihanouk expressing support for his return to war-ravaged Cambodia.

The Prime Minister also congratulated the prince who is scheduled to return to Phnom Penh today, the first time in 13 years.

Mr Anan said in his letter that the prince symbolised peace and national reconciliation.

"I wish to assure Your Royal Highness, in your crucial role as president of the SNC, of our continued support as Your Royal Highness sets out on the task of rebuilding the Cambodian nation," the Prime Minister said in his letter.

The letter also said that Thailand attached much importance to the upcoming visit of Foreign Minister Asa Sarasin to Cambodia on November 20-22.

General Supports Ban on Corrupt Politicians

BK1411014591 Bangkok THE NATION in English 14 Nov 91 p A3

[Text] Deputy Supreme Commander Gen Wimon Wongwanit strongly objected yesterday to the ad hoc constitutional review committee's decision to lift a life-long electoral ban on politicians found guilty of corruption.

He is the first, and the only senior armed forces official so far, to have criticized the military-dominated panel, which finished its highly controversial task of amending the draft of Thailand's new charter yesterday.

The initial draft, which was approved in its first reading by the National Legislative Assembly in July, imposed a life-long election ban on politicians ruled "unusually wealthy". The ban was originally regarded as punishment for members of the Chatchai government accused by the military of being "unprecedentedly corrupt" after the Feb 23 coup.

Wimon said the lifting of the ban ran counter to the military's proclaimed post-coup objective of eliminating corruption.

Currently, 13 politicians including ousted prime minister Chatchai Chunhawan are being investigated by the military-installed Assets Examination Committee, which is due to complete its task soon.

Initially, the military gave the assets committee almost absolute power to investigate and order the confiscation of "ill-gotten assets". But the armed forces agreed recently to allow the 13 politicians to appeal against the committee's rulings in court.

There have been signs of rapproachment between the military and the Chat Thai Party, whose seven key members including Chatchai remain under investigation for corruption.

ACM [Air Chief Mashal] Sombun Rahong, who has close ties with the military junta, has taken over Chat Thai, the first time an "outsider" has wrested control of the party from the "Ratchakhru clan" since its establishment in the early 1970s. Critics claim the Sombun's move is part of a deal between the military junta and Chat Thai, which is seeking to free its key men from the corruption crackdown which has crippled the party.

Wimon stressed that his opposition to the lifting of the electoral ban was a personal opinion.

"Those who use their power to reap personal gains should not become representatives of the people," said Wimon, who is also deputy defence minister.

The chairman of the Assets Examination Committee, meanwhile, expressed opposition to another controversial part of the constitution draft that would oblige voters to choose party teams, instead of invidual candidates, in the elections.

Gen Sit Chirarot, who is a member of the National Legislative Assembly, said he would not give his approval for the party-slate system when the constitution draft is deliberated in its second reading next week.

Political Parties Criticize Draft Constitution

BK1311040791 Bangkok THE NATION in English 13 Nov 91 p A3

[Text] The Democrat Party yesterday accused the military of having "staged another coup" by having the new Constitution draft altered to force voters to choose party teams instead of individuals.

Democrat spokesman Churin Laksanawisit made the pronouncement as criticism grew against the new charter draft being scrutinized by an ad hoc committee which has been alleged to be the military's front.

The military-dominated panel announced on Monday that it had adopted the party-slate electoral system to repalce the last one in which voters could choose individual candidates.

"The military has staged another coup by pushing through this version of the constitution draft," Churin said.

Churin said the party-slate electoral system would turn the tide for the promilitary Sammakkhi Tham Party which has vowed to put Gen Suchinda Khraprayun, army and suprmeme commander and the key figure in the Feb 23 coup, into the prime minister's seat in the next election.

Critics have said the party-slate system would make the Sammakkhi Tham and Chat Thai the biggest parties after the next general election.

Chat Thai's leadership has been given to ACM [Air Chief Marshal] Sombun Rahong who is close to the military.

Churin said the Democrat Party would launch a nationwide campaign to explain "the second, constitutional coup."

The spokesman said the party might be able to distribute leaflets to Bangkok residents by this weekend as part of the planned campaign.

Churin also voiced concern that the party-slate system would lead to rampant vote-buying instead of curbing the illegal practice as stated by the scrutinizing panel backing the new electoral system.

The Democraft spokesman added that the new system would run counter to basic democratic principles which should allow people to choose individuals they trust to represent them in parliament.

Amnuai Prati-se, a Democrat Paty executive, said the way the constituion draft was altered showed that "dictators are wearing democratic outfits."

"I should not have respected the members of the scrutinizing panel," Amnuai said. "I had expected that they would not concede to dictatorship in their work."

The Phalang Tham Party, meanwhile, alleged that the scrutinizing panel altered the draft to please the National Peacekeeping Council (NPKC).

"The panel has never listened to the people's voice, but to that of the NPKC," ACM Arun Pharomthep, Phalang Tham chief advisor, said. "It demonstrates the wishes of the powers-that-be."

Arun said the party-slate system would benefit only "rich parties which are supported by the people in power."

The new electoral system, according to Arun, might be helpful to Phalang Tham Party candidates in Bangkok but it would not be the case in other provinces where vote-buying is expected to be more prevalent.

"Businessmen backing politicians who buy votes will be more certain of getting a good return on their investment because the whole team will get elected," Arun said.

The party adviser also attacked the scrutinizing committee's decision to increase the number of Cabinet members from 45 to 49.

Arun said the more Cabinet members there were the less efficient the administration would be.

"Imagine how long a meeting would take if all Cabinet members wanted to voice their opinion," Arun said.

The scrutinizing committee also proposed that politicians who are ruled corrupt be able to run in upcoming general elections.

Arun took the proposal as a sign of the military's preparations for Chat Thai members who would support the NPKC and Suchinda.

"Look at which party has the most members being investigated by the assets investigation committee," Arun said, referring to Chat Thai. "We know that Chat Thai has now joined hands with Sammakkhi Tham."

Commenting on speculation that the scrutinizing panel would want to amend the charter to include a provisional clause to allow permanent officials to hold Cabinet posts without having to resign, Arun said it would be a step backward for democracy.

Also yesterday, Phalang Tham deputy leader Suthap Atthakon said his party would move against the party-slate electoral system.

Suthep said his party was ready to join forces with any party to fight the unpopular system.

A member of the New Aspiration Party, Chaturon Chaisaeng, also joined in the criticism against the proposed electoral system yesterday.

Chaturon said the new system would lead to a political phenomenon in which some parties would meet before elections to reach agreements on where to run.

"There will be no competition in over half of the country's constituencies," Chaturon predicted.

"The new dictatorial era has begun."

Peacekeeping Council Figures Oppose Provision

BK1311040391 Bangkok BANGKOK POST in English 13 Nov 91 p 1

[Text] At least two key figures in the National Peacekeeping Council are opposed to allowing government officials to simultaneously hold political portfolios, sources said yesterday.

They are the council's deputy chairman ACM [Air Chief Marshall] Kaset Rotchananin and Army Chief-of-Staff

Gen Wirot Saengsnit who said the move for the addition of such a provision to the draft constitution would be harmful to democracy.

The sources added that with the clear NPKC members' stand, it was highly probably that the clause would be dropped and political tension averted.

The sources, however, admitted that some NPKC members wanted to keep it as a provisional clause.

Originally, the sources said, the clause would be included in the draft constitution but as the situation had changed the NPKC leadership viewed that it was no longer needed.

A source close to the NPKC said ACM Kaset made it clear that any government official who wanted to assume a political post should resign from his or her office first.

A senior Samakkhi Tham Party [STP] member said the party is also opposed to the provision because it would only stir up political turmoil, benefiting nobody.

"This is the only issue that could touch off a strong protest from the public. I'm very concerned that the protest would turn violent and get out of control.

"I think the NPKC knew the consequences if it was to adopt this method," said the STP member, adding that the issue would jeopardise the credibility of the NPKC.

All major political parties including Solidarity New Aspiration, Phalang Tham and the Democrats have joined forces to fight against the move which they said would take the country backward.

Army, Air Force Chiefs on Draft Constitution

BK1411014991 Bangkok BANGKOK POST in English 14 Nov 91 p 3

[Text] Army Chief-of-Staff Wirot Saengsanit says if most people do not agree with the draft Constitution as amended by the scrutiny committee, the military will follow the popular demand.

"If the majority of people do not agree with it, how can the military agree?" said Gen Wirot, who is a member of the National Peacekeeping Council.

However, the opinion of the National Legislative Assembly should also be honoured, he said yesterday.

On suggestions that the draft is undemocratic, Gen Wirot said he believes assembly members will take popular demand into consideration although most of them are from the military.

"There is still more time to consider the draft. Everything is not yet final."

Gen Wirot believes the draft as amended by the committee will not be sent to the assembly for consideration until all members have an advance copy to study.

"Let's wait for one or two days. We will listen to the genuine voice of the people but will not listen only to the opinions of politicians who want the Constitution to come out to suit their interests."

However, he said the voice of politicians will also be considered.

On a controversial proposal for permanent officials to take political posts, Gen Wirot said:

"Personally, I think capable permanent officials should be allowed to take political posts. However, this would depend on the prime minister. Permanent officials may not be appointed to the Cabinet if the prime minister sees there are sufficient capable politicians in political parties. In other words, we should not close the door to bar their entry."

Asked if they should resign as government officials after taking political posts, Gen Wirot said this would depend on the Constitution.

Told of claims that the Chat Thai and Samakkhi Tham parties are designed to form a support base for Army Chief Suchinda Khraprayun to become prime minister, Gen Wirot said this is only speculation because Gen Suchinda has never said he will take the post.

Air Force Chief Kaset Rotchananin called on politicians to give the new Constitution a try and to amend it later if it proves unsuccessful.

Claiming he still does not know the content of the draft, which passed its scrutiny stage last night, ACM [Air chief Marshal] Kaset said the provisions of the document should be put to the test.

"If the administration of the country under the new Constitution fails to succeed, then we can amend the document later. We have had many constitutions and, if there happen to be some flaws, we can still amend it. This is something which is very normal in a democratic society," he said.

Asked why national leaders would allow an experiement with the country's highest law, ACM Kaset said constitutions always reflect the ideas of those who draft them.

"If we are not satisfied with it and we have enough support in Parliament, we can amend it."

He denied the draft is being drawn up to please leaders of the National Peacekeepign Council [NPKC].

"Nobody has tried to please me so far."

He said he advocates big slates of political party candidates.

"But this is my idea. I don't know if this has been put into the new draft or has been thrown away. I have to wait until the draft is presented to the NLA," said ACM Kaset, who is NPKC vice-chairman.

He countered some politicians' suggestions that the NPKC should have appointed Gen Suchinda as prime minister because the constitution scrutiny committee has already adopted the party-slate system.

He said the NPKC has no ambition to run the Government itself, or else it woudl have decided to become the Government after the February 23 coup.

He said members of the public who disagree with the contents of the new draft should improve it by forwarding their proposals to the NLA.

Asked what action the NPKC would take if opposition grows to the draft constitution, ACM Kaset said the military views criticism as normal in a democracy.

He claimed those who disagree with the draft represent those who stand to lose and not the majority of people.

Told again that many people consider the draft undemocratic, ACM Kaset said he did not understand what real democracy is like.

"Is it the democratic style that some people want? This is the issue to be considered by Parliament," he said.

Asked whether or not politicians who stand to lose or gain should be given a say on the issue, ACM Kaset said it is not yet time for politicians to play their part.

After the election politicians can change the Constitution if they do not like it, he said.

Draft Constitution Committee Shows Inconsistentcy

BK1311024391 Bangkok THE NATION in English 13 Nov 91 p A10

[Editorial: "Four Years of NPKC-Guided Democracy?"]

[Text] The committee reviewing the draft constitution has displayed remarkable inconsistency recently in its attitude toward the democratic power of the people, further reinforcing the widespread feeling that the committee is more interested in satisfying the political needs of the leaders of the National Peacekeeping Council [NPKC] than anything else.

On Monday, the committee announced a surprise decision against the proposal that would have banned politicians found guilty in court of corruption, including the 13 under investigation by the Sitthi committee, from running in elections for life. The review committee reasoned that the voters should be the ultimate judge of these politicians. They might as well cite Col Narong Kittikhachon as an example. Narong founded the Liberal Party and was elected thrice in Ayutthaya although he, his father, deposed premier Field Marshal Thanom, and his father-in-law Field Marshal Praphat Charusathian, had a large part of their wealth confiscated by the state in the aftermath of their downfall in the October Uprising of 1973.

Not a Crime?

If the corrupt politicians lose their appeals in courts, it means they cannot prove beyond a reasonable doubt that they acquired the assets in question legally. By logical extension, we can also infer that they were guilty of taking bribes; which is a crime, actually a serious crime if the offenders held high political office. Bribe-taking also constitutes a betrayal of public trust in these elected politicians and an unforgivable insult to the sanctity of the offices that they held.

Moreover, these corrupt politicians didn't appear to have paid taxes on their ill-gotten assets. And tax evasion is also a crime, regardless of who the tax evaders are or what high offices they had. So far the Revenues Department seems to have not lifted a finger to audit the tax records of those 13 politicians, found by the Sitthi committee to have amassed questionable wealth during the three years of the Chatchai administration.

Normally anyone convinced of a crime (except misdemeanours caused by accidents) is disqualified from standing in elections or holding high political offices. The review committee's decision to give the corrupt politicians a new lease on political life is thus conspicuously generous.

The review committee's inconsistency began when it chose the controversial party-slate election system advocated by Air Force Commander ACM [Air Chief Marshal] Kaset Rotchananin, deputy chairman of the NPKC, despite the objections of several parties that the team candidacy would deprive voters of the chance to choose the best candidates from differenct parties to represent them. The committee seems to assume that most of the voters know which party is best for them, and that each party will be able to keep its politicians to toe the party line.

In reality, however, most of the voters in Thailand—as is the case elsewhere—still prefer to vote based on the personality of candidates rather than on party affiliation. In addition, few of the Thai parties have any control on their members, much less on their elected MPs. So it is foolish to expect the parties to screen out bad politicians and field only competent, honest ones.

The review commitee raised more eyebrows with talk about giving more powers to the appointed Senate, including making the Senate President ex officio Parliament President, empowering Senators to question the Cabinet about major urgent issues, to join MPs in the House in debating and voting on the budget bill and perhaps in nominating a new prime minister as well. This is rather unusual, especially as it is likely that the NPKC chairman will be in charge of appointing the first Senate.

Even more questionable is an idea being kicked around in the review committee to allow government officials and military officers to hold Cabinet posts during the first four years after the next general election. The committee may make a final decision on it today.

If this comes to pass, Army Commander and Supreme Commander Gen Suchinda Khraprayun can head the next government without relinquishing his military posts. Deputy Army Commander Gen Itsaraphong Nunphakdi can continue to serve as the interior minister while waiting to succeed Gen Suchinda as the next army chief. And ACM Kaset can become the communications minister or the finance minister without dropping everything he has been doing for the Air Force. Everything will work out perfectly for the top brass, and the review committee is making sure that it is constitutional too.

Military Involvement

Incidentally, ACM Sombun Rahong, who is widely seen as the front man for the air force chief, yesterday announced his decision to accept the top post in the Chat Thai Party.

He and other senior Chat Thai executives—some of whom are among the 13 being investigated by the Sitthi committee—said they would welcome military involvement in national politics as something necessary during this "transitional" period.

They could have been more subtle. The quid pro quo between the senior Chat Thai executives and the NPKC leaders, to the effect that Sombun is co-opted to lead Chat Thai in return for a new lease on political life for all of the 13 even if they lose their appeals in courts, is about as obvious as a slap in the face, which [is] how it should be taken by the Thai public.

Transport Ministry Criticizes Airline 'Laxity'

BK0911113391 Bangkok THE NATION in English 9 Nov 91 p B1

[Text] The Transport Ministry and Tourism Authority of Thailand (TAT) have lashed out at Thai Airways International (THAI) for the national carrier's laxity in opening flights to Indochina, particularly Cambodia.

THAI's tardiness, they said, would pave the way for its competitor, Singapore Airlines to win the market. They described THAI's attitude as "very inactive".

A source from the Transport and Communications Ministry said competition for access to the newly-cracked markets of Indochina would soon hot up, with many private companies vying for a licence to join the race.

Despite THAI's signing a contract with Kampuchea Airlines last month, the national airline had neither produced any concrete plan of action nor announced its flight schedules, he said.

"In fact, THAI should have flown to Cambodia before the contract was signed because THAI has the airplanes and the personnel. But it delayed the plan for some unknown reasons," the source said.

He said THAI should now concretise the plan, announce routes via and from Bangkok to Indochina, and establish Thailand as the gateway to Indochina, before Singapore Airlines took the initiative.

"That airline is also planning the same strategy. And THAI should not let go of the chance because Thailand has the better location," he said.

A TAT source said many countries, especially Japan, had renewed their interest in the new tourist attractions of Indochina, being alerted by the peace agreement in the region.

Tha Aviation Department recently allowed four private companies to provide charter flights on the Bangkok-Phnom Penh route. They are SK Airlines (supported by Baltic Air Service), Phnom Penh Airlines (backed by one of Cambodia's leaders), Chan Siam, and Star Airlines. There are two in the waiting list—Tropical Sea-Air and Five King. A group of businessmen investing in the country is also said to be waiting in the wings.

National Carrier Defends Domestic Operations

BK0911114791 Bangkok THE NATION in English 9 Nov 91 pp B1, B8

[Text] The surprise revelation that ACM [Air Chief Marshall] Kaset Rotchananin, chairman of Thai Airways International [Thai], wants the national-flag carrier to dissolve its domestic operations has brought swift and strong opposition from the airline's top management.

The Transport and Communications Ministry, meanwhile, said it will raise the issue at a Cabinet meeting.

A senior executive, who asked not to be identified, said the idea would provide a setback to the airline. He said it appears to have been promoted by vested interests, and complained that Kaset had not raised the idea in meetings of the airline's board of directors.

Generally, he said, most national-flag carriers worldwide operate both international and domestic flights to provide an integrated service to passengers. When domestic and interantional operations are under the responsibility of a single carrier, the timetables can be better coordinated to serve travellers.

The executive, surprised by Kaset's announcement, said there were lessons to be learnt about coordination problems from the experience of the now-defunct Thai Airways Co (TAC) which earlier handled domestic flights, through both THAI and TAC were state enterprises. TAC's domestic operation was merged with THAI's international operations about two years ago.

Kaset told a Thursday night reception audience, hosted by Bangkok Airways Co, that his policy is to dissolve THAI's entire domestic operation because it had suffered losses. The THAI chairman wants privately-owned airlines to take over domestic routes, while THAI will focus on international flights only.

Prasoet Prasatthong-osot, chairman of Bangkok Airways, said Kaset intends to promote private carriers by permitting them to fly on domestic trunk routes. At present, private airlines are allowed to operate feeder routes only and are barred from flying routes operated by THAI.

Bangkok Airways is currently the only privately-owned airline in Thailand. It has been operating on the Bangkok-Samui and Samui-Phuket routes, and plans to introduce Bangkok-Mae Hong Son, Bangkok- Chiang Rai, Bangkok-Loei, Bangkok-Mae Sot, and Bangkok-Krabi services.

In addition, it has won approval to operate chartered flights to Cambodia and Vietnam. The airline has increased the frequency of its Bangkok-Phnom Phen service to 14 a week, up from twice a week. Traffic to Cambodia has sharply risen because of the recent signing of a peace treaty ending decades of war.

At the same function last night, Bangkok Airways was named by former supreme commander Sunthon Khongsomphong as one firm with which he will enter into an air service joint venture. Sunthon is still chairman of the National Peacekeeping Council [NPKC] while Kaset, also the air force chief, is a deputy chairman of the NPKC.

Besides Bangkok Airways, Sunthon said he plans to enter into joint ventures with Si Chang Flying Co and Bell Helicopter for air and related services in Thailand and Asean countries.

The present laws governing private airlines are not favourable to the development of these services, Sunthon stressed. Sunthon's statement adds further to the worries of top THAI managers surprised by Kaset's announcement that the airline should scrap its domestic flight operations.

A THAI management source siad if Kaset's idea is adopted and implemented—and none of the top executives are aware of the idea—there will certainly be a far-reaching impact on the airline.

He said it will not improve the airline's performance, which will only be hurt by the separation of domestic and international services. It will also require a concerted and renewed effort to coordiante the airlines' timetables, airfares and other operational aspects.

Meanwhile, Bangkok Airways chairman Prasert said the airline plans to fly to the Vietnamese cities of Hue and Danang. THAI is already operating on the Hanoi and Ho Chi Minh routes so Bangkok Airways cannot serve these two more important cities.

He said the airline also is negotiating to fly directly to the Cambodian city of Sieam Reap but Cambodian authorities are reluctant because they want visitors to stay in the capital city of Phnom Phen first. He said flights to Cambodia reached the break-even point in August this year so the airline has reduced the airfare from US$500 to US$400 per trip. A further cut of US$50 is expected in January.

An influx of traffic into Cambodia has triggered fierce price cutting. Apart from Bangkok Airways, the Thai Cambodian private joint carrier SK Airlines and three other airlines are flying to Cambodia from Bangkok and Singapore. Bangkok Airways is currently using traffic rights obtained by Trans Indo Co, which opposes airfare reductions.

Bangkok Airways is permitted by the Aviation Department to issue its own tickets for the Cambodian service. It is also encouraged to fly to the neighbouring country on a scheduled basis.

In addition, the airline plans to start a cargo service after it decided to purchase six Short aircraft worth Bt[Baht]100 million from THAI. The cargo operation will cover destinations in Indochina. He said the service will begin in January next year.

Phaichayon Wathawikun, the airline's vice president, said Bangkok Airways will apply for listing on the stock exchange next year to double its capital for business expansion. The public will be offered 20 per cent of the Bt200 million recapitalization. The Prasoet Prasatthong-osot family is a major shareholder in Bangkok Airways.

The airline projects a total revenue of Bt400 million and a profit of Bt35 million this year. Its original projections were much higher but they were adjusted downwards because of the Gulf war and the general economic slow down. Next year, the firm expects revenue to rise to Bt500 million.

It plans to build an airport in Sukothai next year to promote tourism in the former capital city. It will cost no less than Bt150 million. The airport will be able to accommodate 200-seat aircraft. In 1992, the airline will also spend Bt87 million in expanding and modernizing Samui airport.

In the following year, the airline will launch the Trad airport project worth Bt250 million. It also is applying to add larger aircaraft to its fleet for flights to Indochinese neighbouring cities. Its fleet currently consists of four Dash planes.

Vietnam

Phan Van Khai Receives Libyan Delegation 9 Nov

BK1311103791 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 10 Nov 91

[Text] In the afternoon of 9 November 1991, Comrade Phan Van Khai, standing vice chairman of the Council of Ministers, received the official economic delegation of the Social People's Libyan Arab Jamahiriya led by Health Minister Dr. Zaydan Badr Zaydan.

Vice Chairman Phan Van Khai welcomed the delegation's official visit to Vietnam and the attendance at the meeting of the Vietnam-Libya Commission for Economic, Scientific, and Technical Cooperation. He praised the achievements made by the fraternal Libyan people and offered thanks to the Libyan Government and people for helping the Vietnamese people in the undertaking of national liberation and construction.

The vice chairman also informed the Libyan delegation of our people's efforts at making headway in renovation as well as our government's policy of creating an atmosphere of peace for national construction. He also briefed the delegation on Vietnam's policies and measures aimed at implementing the targets and tasks of our Strategy for Socioeconomic Stabilization and Development Until the Year 2000.

The vice chairman hoped that the delegation's visit will greatly contribute to the broadening of multi-faceted and efficient cooperation between Vietnam and Lybia in order to serve better the revolutionary undertaking of the two countries, thus contributing substantially to the struggle of the world people for peace and friendship.

Minister Zaydan Badr Zaydan informed Vice Chairman Phan Van Khai of the result of his delegation's visit to Vietnam and the achievements of the Libyan people. He also briefed him on the Middle East situation and Libya's support for the rights of self-determination of the Arabian countries in general and of the Palestine people in particular. The minister also expressed his joy at the normalization of relations between Vietnam and China.

Attending the reception were Comrade Ngo Xuan Loc, minister of construction and head of the Vietnamese economic delegation, and Mr. 'Abd-al-Majid Nawalli, Libyan charge d'affairs in Vietnam.

Norway Grants $70,000 in Disaster Relief Aid

BK1411074991 Hanoi VNA in English 0535 GMT 14 Nov 91

[Text] Hanoi VNA November 14—The Norwegian Government has decided to grant 500,000 Norwegian kronor (about 70,000 US dollars) as aid to Vietnamese victims of natural calamities through the Norway Red Cross.

Speaking to Norwegian leading paper 'AFTENPOSTEN', Development Aid Minister Ms. Grete Faremo said that prompted by the fine development of the situation in Vietnam and the region and the signing of the peace agreement on Cambodia, there is no reason for the Norwegian Government to refuse aid to Vietnam which should be treated as other poor countries enjoying aid from Norway.

Phan Van Khai Meets Indonesian Forestry Official

BK1111143391 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 6 Nov 91

[Text] on 5 November, Phan Van Khai, standing vice chairman of the Council of Ministers, received Mr. Hasrul Harahap, Indonesian minister of forestry.

Comrade Phan Van Khai welcomed the Indonesian minister and his wife's visit to Vietnam as a practical step to broaden the cooperative relations between the two countries within the context of documents signed during the visit to Vietnam of President Suharto and the visit to Indonesia of Vo Van Kiet, chairman of the Council of Ministers.

He highly evaluated Indonesian experience in afforestation, forest exploitation, and timber processing. He expressed his hope that the bilateral cooperation on forestry will develop favorably because Vietnam and Indonesia have similar historic conditions and the two countries are close geographically.

Mr. Hasrul Harahap briefed the vice chairman on the results of working sessions held during his Vietnam visit, on the development of Indonesian forestry, and on Indonesia's readiness to broaden cooperation and exchange experiences with Vietnam in the fields of afforestation, timber processing, and personnel training.

Attending the reception, on the Vietnamese side were Comrade Phan Xuan Dot, minister of forestry, and Phan Thanh Xuan, deputy minister of forestry. On the Indonesian side, Mr. Syarifuddian, deputy minister of forestry, was also present.

Australia To Donate Radio Broadcasting Equipment

BK1411131491 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 11 Nov 91

[Text] The Australian Broadcasting Corporation, ABC, will donate broadcasting equipment and send specialists to Vietnam and Cambodia to help these countries set up modern radio services.

Millions of dollars worth of equipment will be sent to Vietnam within the next 3 years, together with 20 to 40 technicians, broadcasters, and correspondents who will work in their capacity as instructors.

Radio Notes 'Bright Future' From PRC Visit

BK1111111191 Hanoi Voice of Vietnam in English 1000 GMT 11 Nov 91

[Text] The high-level Vietnamese delegation led by party General Secretary Do Muoi and Premier Vo Van Kiet returned to Hanoi on Sunday, concluding its five-day official visit to China. Both Vietnam and China highly appreciate the official friendship visit to China by the high-level Vietnamese delegation.

During their stay in China, the Vietnamese leaders had talks with leaders of China and reached important consensus in the spirit of friendship, straightforwardness, and mutual understanding.

Both sides stressed the need to normalize relations and stipulated principles for this relationship, namely mutual respect for sovereignty and territorial integrity, non-aggression, non-interfering to each other's internal affairs, equality, mutual benefit, and peaceful coexistence.

The two party chiefs of Vietnam and China agreed to restore normalization between the Communist Party of Vietnam and the CPC.

The two governments asserted to continue strengthening cooperation in economy and other fields. The two sides further signed a trade agreement and an agreement on solving problems of the common border. It's agreed that the pending issues such as boundary, border, immigrants, etc. will be solved later through negotiations and by peaceful means.

Hence the visit has closed the past and opened up the bright future for bilateral relations. In Beijing or wherever it went, the high-level Vietnamese delegation was welcomed with open arms by the Chinese people.

For their part, the Vietnamese people pledged to do all they can to strengthen and develop relations with the Chinese people. At the same time, Vietnam seeks to increase relations with countries in Southeast Asia and the rest of the world to live up to its commitment to be friends with all nations.

Vietnam believes that with its efforts and China's determination and as confirmed by China's party General Secretary Jiang Zemin to General Secretary Do Muoi that from now on, China will always be active in its relationship with Vietnam, the good neighborhood and friendship between Vietnam and China will bear fruit.

Lang Son Restores Railroad Bordering China

BK1311112391 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 9 Nov 91

[Text] The Vietnam Railway Union is concentrating efforts on restoring the Lang Son-Dong Dang-Bien Gioi railroad, bordering China, which is expected to be completed next year.

The project, started almost two months ago, has advanced considerably. About seven km of the railroad, 1.435 meters in width, have been laid. The total lenght of the railroad is more than 18 km.

Corporation No. 6 and other construction units of the project are striving to restore about 14 km on the railroad by the end of December, thus completing the section from Lang Son to Dong Dang. The last section from Dong Dang to Bien Gioi vill be speeded up in the subsequent months.

Japanese Company at Economic Development Seminar

BK1411075591 Hanoi VNA in English 0543 GMT 14 Nov 91

[Text] Hanoi VNA November 14—A seminar on economic development was held here on Tuesday by the State Planning Commission and the Chamber of Commerce and Industry, and the Mitsui Co. Ltd. of Japan.

The seminar was within the framework of a project on research on an overall plan for the development of fundamental industries of Vietnam which was conducted jointly by the Mitsui Co. Ltd and the State Planning Commission.

Foreign participants included Mr. Kazutami Ishigori, executive vice president of the Mitsui Co. Ltd, Japanese Ambasswdor Hiroyuki Yusita, and Mr. David Smith, representative of the United Nations Development Programme and officials from the Asian Development Bank, the UN Industrial Development Organisation and the Japanese Export- Import Bank in Bangkok.

Six More Joint-Investment Projects Licensed

BK1311093791 Hanoi VNA in English 0542 GMT 13 Nov 91

[Text] Hanoi VNA November 13—The first week of November saw six more investment projects Beijing [as received] endorsed by the State Commission for Foreign Cooperation and Investment.

They include two projects in the industrial sector one in seafood breeding and processing and three others in hotel business and other services

Total invested capital is estimated at USd [U.S. dollars] 5.375 million of which 39 per cent will be contributed by the Vietnamese partners while 61 per cent will be provided by foreign investors.

In the industrial sector the making of high quality paint for ship repair—a contract-based joint venture between the Dong Nai Paint factory 70 km north of Ho Chi Minh City and the Courtaulds Coatings Holdings Ltd of England—is particularly noteworthy. It is the first undertaking in paint production in Vietnam, hoping to provide domestic shipyards and foreign customers with first class paint of various kinds.

The project for seafood breeding and processing is a joint venture between the Union of Seafood Processing and import-export enterprises in the southernmost province of Minh Hai and Hock and Thepnarong International Company Ltd of Thailand. Within the licenced ten years the joint venture will engage in breeding, netting and processing of shrimp and other seafood for export.

Norkfolk Hotel is the name of a joint venture company entered into by the Union of Goods Production and import-export enterprises of Precinct 1, Ho Chi Minh City and the Norkfolk Development Group Pty Ltd of Australia. The joint venture will upgrade and refurbish a multi-storeyed building in Ho Chi Minh City. This new hotel, meeting international standards in terms of interior decoration and equipment, will be run by the joint venture in 20 years.

Another of these joint ventures is in the real estate business between the Guest House Management Board of the Hanoi Trade Unions and the Hamon Investment Partners Limited of Hong Kong. This undertaking will turn existing guest houses into offices to lease.

Xovimex also hopes to import and export commodities specified in the framework of trade agreements already signed by Vietnamese and Soviet economic organisations. Xovimex is a limited liability company established jointly by the Dong Thap Corporation of import-export in the Mekong River Delta and the Union of Production Enterprises of the USSR Academy of Commerce

A joint venture in producing zippers is entered into by the Nha Trang Zipper Enterprise in the seaside resort town of the same name on the central coast and the Imex Pan Pacific Inc of the Philippines

VNA Reports Contracts at Hong Kong Exhibition

BK0911083791 Hanoi VNA in English 0556 GMT 9 Nov 91

[Text] Hanoi VNA November 9—Vietnamese economic units have won a number of contracts valued at a total of more than 10 million US dollars at an exhibition named "Vietexpo-Hong Kong-91" recently held in Hong Kong.

"Vietexpo-Hong Kong 91", jointly organized by the Vietnam Chamber of Commerce and Industry and the Exhibition Hong Kong Company, was the first expo abroad on a wide range of Vietnamese exports.

On display were farm, forest and light industry products, seafood, arts and crafts, minerals and tourist services of 45 production and business establishments in Vietnam.

Indian Envoy Presents Gift to Charity Group

BK1111160991 Hanoi VNA in English 1417 GMT 11 Nov 91

[Text] Hanoi VNA Nov 11—Indian Ambassador to Vietnam Jagdish Chandra Sharma today presented the Golden Heart, a charity organization in Vietnam, with a sum of 2 million Vietnam dong.

The sum was raised by the ambassador himself during the Indian people's traditional festival of light held in Hanoi early this month.

Prof. Nguyen Dang Quang, president of Golden Heart, heartily thanked the Indian diplomat for this new manifestation of the Indo-Vietnamese friendship.

Congratulations Sent to New Bulgarian Premier

BK1311153191 Hanoi VNA in English 1405 GMT 13 Nov 91

[Text] Hanoi VNA Nov.13—Chairman of the Council of Ministers Vo Van Kiet today sent a message of congratulation to Mr.Philips Dimitrov on his election as prime minister of the People's Republic of Bulgaria.

The message says: "The Vietnamese Government and people believe that the existing friendship and cooperation between Vietnam and Bulgaria will be consolidated and developed."

New Ambassador to Bulgaria Presents Credentials

BK0911084991 Hanoi VNA in English 0554 GMT 9 Nov 91

[Text] Hanoi VNA November 9—The newly accredited Vietnamese ambassador to Bulgaria, Pham Cam Tu, on November 6 presented his credentials to President Zhelyu Zhelev.

In a conversation with Vietnamese ambassador, the Bulgarian president affirmed that Bulgaria wants to maintain and continue to develop the existing friendly and cooperative relations between the two countries. He said he believed that the profound changes in Bulgaria as well as the renovation in Vietnam would create a new basis for the consolidation and development of the ties particularly in the economic and cultural fields.

Finnish Ambassador Presents Credentials 5 Nov

BK1111132291

[Editorial Report] Hanoi Voice of Vietnam in Vietnamese on 5 November 1991 at 0500 GMT carries an under-minute item reporting that:

"On 5 November 1991, Kai Olof Granholm, Finnish ambassador extraordinary and plenipotentiary to our country presented credentials to Nguyen Huu Tho, vice chairman of the Council of State.

"After the credential ceremony, Vice Chairman Nguyen Huu Tho had a cordial talk with Ambassador Kai Olof Granholm.

"Attending the ceremony was also Le Mai, deputy minister of foreign affairs."

Regulations on Protecting State Secrets Publicized

BK1311055191 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 11 Nov 91

[Text] On the afternoon of 9 November 1991, the offices of the National Assembly, the Council of State, and the Ministry of Interior held a news conference to make public the regulations on the protection of state secrets that were signed on 8 November 1991 by State Council Chairman Vo Chi Cong.

On behalf of the Interior Ministry, Comrade Duong Thong briefed journalists on the necessity of promulgating the regulations on the protection of state secrets, the guiding principles for drafting the regulations, and the contents of the regulations.

The regulations consist of five chapters of 23 articles.

Chapter I: Generalities, including four articles on the general concept of state secrets, the duty and obligation to protect state secrets, and the guiding principles for protecting state secrets.

Chapter II: The scope of state secrets.

The contents of this chapter stipulate the extent of information on state secrets and the principles for classifying, coding, and decoding each specific state secret.

Chapter III: State management and protection of state secrets.

This chapter stipulates the jurisdiction, duty, and authority of the Council of Ministers and functional branches concerning state management control over the protection of state secrets and the scope of such management control.

Chapter IV: Commendations, awards, and punishments of violations.

Chapter V: Final clauses asserting the legal basis of the regulations and organization of their implementation.

Government To Suspend Merchandise Imports

BK1311051791 Hong Kong AFP in English 0808 GMT 12 Nov 91

[Text] Hanoi, Nov 12 (AFP)—Vietnam's Council of Ministers has decided to cut imports for the remainder of 1991 in a bid to conserve foreign currency, a newspaper report reaching here Tuesday said.

The TUOI TRE of Ho Chi Minh City said in its latest issue that according to the government decision, the only imports allowed would be "raw materials, fuel, (other) materials, equipment, fertiliser and insecticide" needed for production.

Imports of other merchandise would be "suspended from now until the end of the year," the youth newspaper said, explaining that "all contracts signed after November 15 would have to be cancelled."

If not, the newspaper added, the "imports would be considered illegal."

The decision was one of the measures taken by the government to cope with a crippling lack of essentials and to assure their continued importation, TUOI TRE said.

According to the magazine THUONG MAI, Vietnam's imports during the first nine months of this year jumped in value to nearly 1.5 billion dollars.

Imports provided by the Soviet Union and Eastern European countries have fallen 77 percent in comparison with the same period last year, as the Soviets demanded world prices and payment in hard currency, but those from non-socialist countries rose 30 percent.

To reinforce its control over the country's money supply, the government has decided that businesses must from now on deposit their foreign currency takings at the central State Bank and that all foreign currency transactions must go through it.

The bank has also decided to open two money transaction centres in Ho Chi Minh City and Hanoi to facilitate the buying and selling of foreign currencies.

TUOI TRE estimated that public enterprises still hold considerable quantities of foreign exchange, preventing the central government from effectively controlling foreign trade.

The lack of foreign currency for official imports, as opposed to contraband, explains at least in part the skyrocketing rise of the dollar against the local currency, up from 11,500 dong to the greenback at the start of October to 13,500 dong now.

Industry Ministry Seeks Infrastructure Investment

BK1111015191 Bangkok THE NATION in English 11 Nov 91 p B12

[Text] Vietnam is seeking foreign investors to help develop its infrastructure which will cost more than US$2.4 billion over the next five years.

Director of the International Cooperation Department, Ministry of Heavy Industry, Nguyen Xuan Chuan told THE NATION in Bangkok that Vietnam is concerned that poor infrastructure will discourage investors in badly-needed industrial projects.

The country's infrastructural requirements include two railways, electricity generation, main roads, telecommunications, port facilities and airport terminals.

Chuan said one of the most urgent projects is the construction of new railroads on existing routes in the North, from Lao Cai to Haiphong, and between central and southern areas from Vinh to Ho Chi Minh City. The first route is 420 kilometres long and currently handles one million tonnes of goods a year. The second covers 2,500 km and has an annual capacity of two million tonnes.

"Such capacities are not enough because they have to transport natural resources from the northern area to the South. Moreover, they cannot cope with the expansion of the country's industry," said Chuan.

He said an Australian firm had shown interest in the railways project. The total investment is estimated at US$40 million.

Another project is to develop facilities of Danang Port in the central region and Haiphong Port in the North. Extra facilities will be needed to boost the capacities of both these major ports.

Chuan said the country also needs more electricity and upgraded facilities. Most of Vietnam's natural resources and power generation are in the North, but around 500 kilowatts of energy is somehow lost in the transmission of power to the South.

But the country needs as much as 100,000 kilowatts a year. To achieve this, it will need an investment of US$2 billion.

Apart from these projects, Chuan said, Vietnam also wants to improve its main arterial roads. The country has 19,000 kilometres of roads that are badly in need of repair.

The airports are one area of transportation that will have to be quickly improved. They should be operated by up-to-date equipment, said Chuan as the Vietnamese government is now allowing foreign companies to provide charter flights.

—Three high-level Vietnamese government officers said at a seminar last Friday that the country will try to boost industrial output to replace agriculture which now dominates the country's total production at around 60 per cent.

Therefore it will encourage foreign investors, they told the seminar which was titled "Vietnam's Heavy Industry Trade and Investment". But it wants the investment to produce competitive products using new technology.

Vietnam welcomes all kinds of industry except trading. Those who want to undertake trading can only set up representative offices, and not head offices or branches.

Council Issues Car Insurance Policy Directive

BK1311100991 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 9 Nov 91

[Text] On 6 November, the chairman of the Council of Ministers issued a directive on the implementation of the car insurance policy and the civil responsibility of owners of motorized vehicles. The directive says:

1. Ministries and agencies attached to the Council of Ministers and people's committees of provinces and municipalities directly subordinate to the central government must ask owners of cars and motorized vehicles to obtain insurance policies in accordance with the Council of Ministers' Decree No. 30-HDBT.

2. The Ministry of Foreign Affairs shall inform the diplomatic corps, international organizations, and foreigners of all regulations attached to Decree No. 30-HDBT for implementation.

3. The Ministry of Interior shall review, control, and issue fines for vehicles that do not sign insurance policies. Licenses will be issued only to vehicles with insurance policies. The ministry shall provide insurance agencies with essential information and documents to speed up compensation for victims of car accidents and accidents involving other vehicles.

4. The Ministry of Finance shall issue regulations on the signing of insurance policies and payment of compensation in accordance with the agreed-upon responsibility and in conformity with reality. It shall help insurance agencies collect fees and speed up paper work for owners of vehicles who have registered for insurance policies, while helping to promptly pay compensation in accordance with the insurance regulations.

5. Mass media agencies are dutybound to propagate and disseminate this directive among the people and agencies concerned to help them implement it correctly.

6. The Minister of Finance is responsible for filing an annual report to the Council of Ministers on results of the implementation of Decree No. 30-HDBT.

Sea Product Corporation Sets Up Stock Company

BK1311150791 Hanoi VNA in English 1410 GMT 13 Nov 91

[Text] Hanoi VNA Nov.13—The Sea Product Export, Import Corporation (Seaprodex) is among the first state-run establishment in sea product industry to have switched over to market-oriented operation with considerable success. It is now in the front of the line of Vietnam's sea products exporters and importers. It has trade relations with more than 20 companies from Hong Kong, Japan, Australia, France, Switzerland and Singapore and grossed an annual turnover of 13 million. [currency not specified] The market economy, however, does not allow Seaprodex to be content with this initial success. Further efforts must be made to maintain and develop its capital. To this end, Seaprodex has turned its operation which is based on self-reliant mechanism into activities of a stock company. Shareholders from six Seaprodex companies have begun their work. They include the Aquatic Products Rearing and Exploiting Enterprise in Binh Dai (Ben Tre), and in Vungtau (Ba Ria-vung Tau), the Hai Gia Hotel and the Informatic Electronics Enterprise (Seatic) in Ho Chi Minh City, the sprawning farm in Phan Rang (Thuan Hai,) and the Dan Nai aquatic products joint venture fixed assets totalled 2.5 million in late 1990. [sentence as received]

Continuous sfforts made by Seaprodex over the past years have helped the corporation to establish itself in both domestic and foreign markets. It has gradually got reimbursement from its companies and created jobs for more than 3,000 people.

Cao Bang Border Trade Activities Increase

BK1411104991 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 11 Nov 91

[Text] In the past 10 months, the Cao Bang provincial customs office suggested and handled procedures for the export and import through the province's border crossing points of 10 million metric tons of goods of various kinds with a total value of more than 13 billion dong, and collected as many as 6.5 million dong of export and import taxes, nearly 3 times the planned target for 1991.

The Cao Bang provincial customs office also coordinated closely with the local public security and border defense forces in the struggle against smuggling, which resulted in the arrest of 40 cases involving several metric tons of contraband valued at more than 34 million dong.

Thai Binh Relocates Familes to Economic Zones

BK1311143091 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 10 Nov 91

[Text] As of late October, Thai Binh Province had moved 780 families with 1,930 workers to build new economic zones in Lam Dong, Dac Lac, and Quang Ninh Provinces.

Meanwhile, 100 families of 370 people of the province have recently moved to the coastal area to reclaim virgin land for cultivation and fish rearing.

Thai Binh Province is striving to move, from now to the end of this year, about 2,000 people to build new economic zones in other localities, thus fulfilling its 1991 plan norm for relocation of the population.

Le Quang Dao Visits New Ha Tay Province

BK1311063591 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 8 Nov 91

[Text] Comrade Le Quang Dao, vice-chairman of the Council of State, National Assembly chairman, and deputy of Ha Tay Province, paid a working visit on 5 and 6 November to Ha Tay Province, which was recently separated from Ha Son Binh Province.

Chairman Le Quang Dao worked with the chairmen of the people's council, the people's committee, and the Vietnam Fatherland Front of Ha Tay Province to grasp the socioeconomic situation of the province, which was separated from Ha Son Binh Province by a National Assembly resolution.

The authorities of the former Ha Son Binh Province had properly implemented the National Assembly resolution by adequately taking care of both of the new Provinces of Hoa Binh and Ha Tay. Each cadre on temporary duty in the mountainous province of Hoa Binh receives an allocation of 300,000 dong to partly solve the problems of moving to and working in the province.

Agencies, sectors, and committees have reserved good facilities such as trucks and machines in order for the new Hoa Binh Province to function smoothly. As a result, in only two months of implementing the National Assembly resolution, Hoa Binh and Ha Tay Provinces have operated well since 1 October 1991.

Unlike the other provinces created this year by dividing one province into two smaller provinces, none of which were then given additional territory, Ha Tay Province received six districts and towns from Hanoi. The provincial authorities are urgently working to grasp the situation from the grassroots level up to the district and township levels, quickly establish plans and guidelines for general socioeconomic development, and promptly prepare for the party congress of the new Ha Tay Province by the first quarter of 1992.

Chairman Le Quang Dao commended Ha Tay Province for its many efforts to quickly resume normal operations following the split. During his stay in Ha Tay Province, Chairman Le Quang Dao visited My Duc District, Son Tay town and several families that have developed well the family-based economy along the VAC [garden, fish pond, and livestock] guidelines, especially gardening and sericulture, to obtain high income. He also visited the Dong Ngo Lake tourist area of Ha Tay Province and Quang Son Lake in My Duc District, which are receiving investment from the tourism group of the new Ha Tay Province.

Le Kha Phieu Visits War Veteran's Association

BK1211102191 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 8 Nov 91

[Text] Lieutenant General Le Kha Phieu, director of the General Political Department, recently visited the Vietnam War Veterans' Association.

Comrade Song Hao, president of the association, and the comrade members of its standing committee received and exchanged views with the comrade director of the General Political Department on the relations between the Vietnam War Veteran Association and the General Political Department of the Vietnam People's Army.

They also discussed coordinated activities to help develop the all-people national defense system, build the army rear area, satisfactorily apply policies toward war invalids and fallen combatants, ingrain the tradition and nature of Uncle Ho's soldiers in the younger generation, prepare for discharged soldiers to return to their localities, firmly maintain political security and social order and safety, safeguard the party and revolutionary gains, and build and defend the socialist Vietnamese fatherland.

Ho Chi Minh Mausoleum Party Congress Reviewed

BK1111134391 Hanoi Voice of Vietnam Network in Vietnamese 2330 GMT 4 Nov 91

[Report from station correspondent Dang Van Nhung on second-round party organization congress of the Ho Chi Minh Mausoleum command]

[Summary] "The party organization of Group 969 under the Ho Chi Minh Mausoleum command convened its fourth second-round party congress from 28-30 October. Attending the congress were 93 delegates representing hundreds of party members directly subordinate to the group.

"For more than 20 years now, the party organization of Group 969 has fully understood the Political Bureau resolution dated 29 November 1969 pointing out that as a manifestation of our boundless love and respect for and eternal gratitude to President Ho, we must try our best to fulfill the task of preserving his remains."

Over the past five years, due to the complicated developments of the national and international situations, our party and people have faced great difficulties in leadership and national construction.

As far as Group 969 is concerned, in addition to the difficulties arising from the complicated world developments, it has also faced many problems caused by everyday life and from the deterioration of technical equipment.

"Nonetheless, the party organization has successfully guided everyone in fulfilling both their routine and unexpected assignments, including the task of guaranteeing absolute security for Uncle Ho's remains."

In addition to the preservation of Uncle Ho's remains and equipment maintenance, the group has been charged with supplying guards of honor and with maintaining security and providing support services for political and cultural activities at the mausoleum.

"Over the past five years, Group 969 has jointly organized welcoming ceremonies for 3.9 million visitors, including 81,000 foreign guests. Of late, the group has been entrusted with the additional task of taking over the management and operation of the technical equipment at the Ho Chi Minh Museum."

Besides the above-mentioned strong points, the group party committee's political report also dealt with those shortcomings displayed by the party organization in such important areas as scientific-technical research work, enforcement of regulations and systems, coordination with responsible agencies in receiving visitors, and so forth.

"In summary, over the past five years, the party organization has successfully guided everyone in fulfilling both their routine and unexpected tasks, including the preservation of Uncle Ho's remains. At the same time, positive efforts have been made to respond to the new situation and tasks. Compared with the past, the group has made new progress in implementing regulations and systems as well as in securing solidarity and democracy."

The political report also set forth the orientations and tasks to fulfill for the forthcoming term as follows: It is necessary to guarantee quality political work, make sustained efforts to renovate cadres's thinking and workstyle, build compact and strong units in accordance with set standards, educate everyone on the need to make efforts for self-improvement, develop pure and firm party installations capable of fulfilling new political tasks, and stabilize and gradually improve everyone's material and spiritual life on the basis of their personal efforts to boost production and practice thrift.

To this end, the report stressed the need to build very pure and firm party installations, renovate everyone's thinking and workstyle, enhance militancy, and improve the efficiency of ideological work in order to help party cadres and members persist in Marxism-Leninism and Ho Chi Minh's thought, consolidate everyone's trust in the party's leadership, and resolutely struggle against calls for political pluralism, multi-party opposition, and unlimited democracy. Efforts must be made to foil the enemy's sabotage acts, especially its peaceful evolution scheme.

"Lieutenant General Le Kha Phieu, member of the party Central Committee and party Central Committee Military Commission standing body, and head of the General Political Department, attended and addressed the congress. He praised the achievements of the Group 969 party organization, crediting the common efforts of all cadres and combatants of the group as well as the great assistance given by all branches and sectors.

"He agreed with the basic contents of the group party organization's political report and stressed that given the current situation, the preservation of Uncle Ho's remains is of utmost importance and the group is responsible for meeting the desire of the entire nation, people, and army to preserve Uncle Ho's remains."

He drew everyone's attention to the need for greater efforts to reduce equipment management and maintenance costs and to secure better results.

"As a token of their love and respect for Uncle Ho as well as their sense of responsibility toward the party and people, the delegates contributed frank opinions to the party organization's political report."

Finally, the congress elected a new executive committee comprised of highly qualified and competent comrades to guide the entire party organization in implementing its new tasks.

Literature, Art Journal Releases First Issue

BK1311111991 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 9 Nov 91

[Text] The monthly DIEN DAN VAN NGHE VIETNAM (Vietnam Literature and Art), the journal of the Vietnam Literature and Art Associations Union [VLAAU], has released its first issue. This is a journal containing information, criticism, and the works of Vietnamese writers and artists.

The journal has an editorial staff headed by poet Huy Can, chairman of the VLAAU central committee. Poet Bao Viet was appointed editor-in-chief.

In his greeting message to readers in the first issue, poet Huy Can said: The DIEN DAN VAN NGHE VIETNAM is a forum for exchanging views and presenting talks and experiences in literature and art by sectors, individuals, our ancestors, and friends from around the world.

In its first issue, the journal published a picture of General Secretary Do Muoi meeting Vietnamese writers and artists on 24 September this year, a report on this meeting, and many articles written by writers, poets, and stage artists. It also carried photos taken by such noted photographers as Xuan Thien, Do Ngan, Trung Duong, Nguyen Xuan Sanh, and Nguyen Dinh Nghi, etc.

VNA Reviews Hanoi Newspapers for 13 Nov

BK1311100891 Hanoi VNA in English 0554 GMT 13 Nov 91

[Text] Hanoi VNA Nov. 13—NHAN DAN today frontpages an article written by Vo Oanh, Politburo member of the CPV [Communist Party of Vietnam] Central Committee, on building up a revolutionary movement among the people to successfully carry out the tasks of socio-economic development in which he attaches great importance to strengthening the relations between the party and the people, meeting in time the people's aspiration and to renovating and perfecting the policy-making provess.

The papers report on Japanese Ambassador Hiroyuki Yushita's reception here yesterday evening to mark Emperor Akihito's birthday and Japan's National Day, and on official operation here yesterday of the Viet Thai Precious Stone Company, a joint venture between Yen Bai Provinces's Federation of Industrial Geology, the Vietnam Precious Stone Company, and B.H. Mining Co. Ltd. of Thailand.

It is reported that the executive committee of the Hanoi Conferation of Vietnamese Workers received here yesterday young Vietnam victims of the Chernobyl accident for medical treament and that exhibitions of Algeria's university books and of Vietnam's artistic photos were opened here.

Other reports are about the chairman of the Council of Ministers's Oct. 14 instruction on measures against tax evasion.

The English language daily VIETNAM NEWS says that the State Committee for Cooperation and Investment in the first week of November licensed six joint investment projects in Vietnam, and that the Sea Production Export, Import Corporation (SEAPRODEX) has set up a stock company.

VNA Reviews Hanoi Newspapers for 14 Nov

BK1411080591 Hanoi VNA in English 0540 GMT 14 Nov 91

[Text] Hanoi VNA November 14—Newspapers in Hanoi today frontpage a message of congratulations from Chairman of the Council of Ministers Vo Van Kiet to Philips Dimitrov on the latter's appointment as Prime Minister of the People's Republic of Bulgaria.

The papers report that State Council President Heng Samrin and National Assembly Chairman Chea Sim of the State of Cambodia received on November 12 Vietnamese Ambassador Ngo Dien, who paid a farewell visit at the end of his term of office in Cambodia.

Other reports are about a seminar on Vietnam' economic development held in Hanoi yesterday by the State Planning Commission, the Vietnam Chamber of Commerce and Industry, and Japanese Mitsui Co. Ptd. and an exhibition of Vietnamese contemporary paintings held in Hongkong under an agreement signed between the Central Fine Arts Company of Vietnam and Thei Plum Blossoms (International) Ltd of Hongkong.

The press says that the Norwegian Government has decided to donate (words indistinct) to Vietnamese natural calamity victims, and that the British Government has contributed USd 34.000 to the relief fund for flood-victims in the Mekong Delta.

Polish Ambassador to Vietnam Stanislaw Gebala called a press conference in Hanoi yesterday on the results of the parliamentary election in Poland on October last.

A report from the central anti-flood and storm committee says that floods in Mekong River Delta provinces killed 136 people, damaged 278,936 houses, 1,545 classrooms and 217 infirmaries, and submerged 127,300 hectares fields.

International news despatches include the foundation of the All- Union Communist Party of Bolsheviks and the Worker and Peasant Socialist Party in the Soviet Union, and the Communist Party in Albania.

Australia

Senate Condemns Shootings in East Timor

BK1411073491 Melbourne Radio Australia in English 0500 GMT 14 Nov 91

[Excerpts] The United States says it views very seriously the shooting of at least 50 civilians by the Indonesian Army in East Timor and it is continuing contact with the Indonesian Government to express concern. [passage omitted]

Indonesia's military chief, General Try Sutrisno, who acknowledged that as many as 50 were killed, said the troops opened fire only after an attack on an officer. Australia's Prime Minister Bob Hawke said today that, even if the troops had been provoked, their response was tragically excessive.

Speaking in Parliament, Mr. Hawke said that after so many years since the Indonesian takeover of East Timor in 1975, the problems of the province would not be solved by military force. He said the Australian Government was continuing to investigate the incident, including thorough discussions with non-Indonesian government sources.

The Australian upper house, the Senate, has also condemned and expressed outrage at the Dili shooting. It has also called on the government to protest against the incident in the strongest possible terms. [passage omitted]

The Indonesian flag has been burned outside the Australian Parliament at a rally against the Dili killings. A crowd of about 300 heard speakers condemn Australia's policy toward East Timor while Indonesia's annexation of the territory was described as illegal, immoral, and inexcuseable. The rally was attended by a number of federal members of Parliament.

State Pressured To Cut Jakarta Military Ties

BK1411062191 Hong Kong AFP in English 0548 GMT 14 Nov 91

[By Jack Taylor]

[Text] Sydney, Nov 14 (AFP)—Pressure was growing on the Australian Government from within its own ranks and elsewhere Thursday to suspend military links to Indonesia in the wake of Tuesday's massacre in East Timor. The government was also being pressed to take a lead in the United Nations in seeking the immediate dispatch of a monitoring team to investigate the army shooting, which critics of Indonesia here say was exceptional only in degree.

In the meantime, aid groups, church officials, refugees and others continued to demand a tougher response from Canberra than it has given to previous reported atrocities from its tiny neighbour. East Timorese demonstrators burned the Indonesian flag outside Jakarta's embassy in Canberra while demanding Prime Minister Bob Hawke cancel a planned trip to Indonesia next year.

Backbench Labor MP Garrie Gibson, who acts as a parliamentary spokesman for the people of East Timor, delivered a letter to Hawke seeking suspension of military links. He also asked that the government suspend recognition of Jakarta's annexation of East Timor and push for a U.N.-sponsored monitoring team and an international conference to reach a settlement acceptable to the Timorese.

Australia recognised the Indonesian annexation in 1978, despite U.N. resolutions calling for Indonesia's withdrawal. "This latest act of official terrorism and murder by forces of the Indonesian government continues the process of repression and brutality that has seen the death of over 200,000 people in 16 years," Gibson said.

"There is such international outrage about what Indonesia has done that Australia could expect support from a large number of countries in pushing for a U.N. monitoring team."

"It would also be difficult for Indonesia to reject the concept of an international assessment team in East Timor."

He said Australia had a responsibility in the region to take some diplomatic step, one of which would be suspension of diplomatic and military cooperation. "I think it is appropriate that we should say (to Indonesia) we don't want our money and military personnel being involved with you until you fix up your own backyard."

Gibson said his views had widespread support within the community and in the parliamentary Labor Party.

Government sources said Australia would not consider action at least until it received a full report on the massacre. Jakarta embassy first secretary David Binns is in Dili investigating the massacre. However, speculation was mounting that Hawke would be forced to cancel his trip to Indonesia, although he might cite reasons other than Timor. To go ahead with the trip might suggest official indifference. There was also speculation that if reports indicate the massacre was ordered by a local army commander rather than "officially sanctioned" the episode might be quietly forgotten.

The Australia-based Campaign for an Independent East Timor said the government should help organise a world-wide economic blockade of Indonesia until its troops withdraw from the island.

Imelia Gusmao, wife of East Timor's Fretilin separatist guerilla commander Xanana Gusmao, said the Dili killings had been given wide media cover only because Western journalists were there. Speaking in Melbourne, where she now lives, she told journalists the incident was typical of many in East Timor since Indonesia unilaterally annexed it 16 years ago. "It is only because a number of Western journalists were there that this incident has been covered so widely in the Australian media," she said.

Gusmao, who left East Timor with her two children for their safety, said through an interpreter she had seen many killings that were unreported by foreign journalists. She said she had been in contact with her husband as recently as last week from his hideout in the East Timor hinterland, from which he directs operations against Indonesia. "I know my husband would say that, despite the massacre, the people of East Timor will fight to the end for their freedom," she said.

ABC To Help Vietnam, Cambodia Set Up Radios

BK1011044891 Hong Kong AFP in English 0432 GMT 10 Nov 91

[By Jack Taylor]

[Text] Sydney, Nov 10 (AFP)—Used broadcasting equipment and expertise is being donated by the Australian Broadcasting Corp. (ABC) to Vietnam and Cambodia to help them set up modern radio services with built-in Western ethical standards. The ABC says millions of dollars worth of equipment is likely to be on its way to Vietnam over the next three years accompanied by 20 to 40 ABC technicians, broadcasters and journalists who will work as instructors.

They also hope to move soon into Cambodia along with the United Nations peace-keeping force to help authorities with an essential ingredient of the country's transition to democracy—a free media independent of government influences. "You can't have a democracy without a free press and you can't have a free press without appropriate standards of journalism, which we would hope to teach them," ABC Indochina project officer Marius Webb said in an interview Sunday.

He said two ABC officials would travel to Hanoi with an Australian trade mission next Saturday to discuss details of plans made during months of discussions here and in Vietnam.

The Australian Government, which funds the ABC, is expected to support the plan financially through its overseas aid program, although the extent of the support is not yet known. The objective, Webb agreed, is to provide equipment, training and expertise to establish for Vietnam a complete, independent, professional and self-sustaining radio service.

Its cost over a three-year period will be three million to six million Australian dollars (2.3 million-4.7 million U.S.).

Although the ABC likes to assert its independence to the extent of being involved in regular battles with government over its coverage of news, it is nevertheless conscious of the need to avoid upsetting politicians and bureaucrats in Indochina. "We have to be very careful and we can't go in there and tell them how to run things," Webb said. "Vietnam is still a socialist country and we can't expect them instantly to share our fondness for the Westminster system of democracy. But we can introduce them to new ideas."

Among these ideas is what he described as "the whole concept of journalism as we know it" in Western countries. He cited as an example of attitudes in Vietnam one man who visited the ABC last year who was simultaneously the head of Radio Vietnam, a politician and head of the Vietnamese journalists' union. "But we must ensure what we teach is appropriate to them and we can say there are a lot of options available in this area. 'You guys have got to go ahead and make decisions about them.'"

"In some respects we may be dealing with a circumstance that is a bit like Australia was in the 1940s.

"A large majority of its population is, well not necessarily poorly educated, but unused to outside influences."

The Vietnam plan was conceived by ABC managing director David Hill, who with another senior corporation official visited Vietnam last year. Hill is said to have been overwhelmed with the country's desperate need for just about everything after decades of war and isolation. "He felt very strongly that it was in dire need of help and that it was largely being ignored by the Western world," said Webb. "He also thought we could probably help."

As ABC Radio was about to move to new state-of-the-art headquarters in Sydney, one of the things it had in excess was broadcasting equipment, some of it in good working condition and some of it incomplete. But it was essential, Webb said, that equipment which was incomplete or incompatible with what exists in Vietnam was not just dumped there.

The Australian Government is being asked through its overseas aid (Aidab) program to pay for pieces that match some of the equipment the ABC already has. "For instance we may have a mixing desk surplus to our requirements," said Webb. "But in itself it is not much good unless you have two multi-track recorders to go with it.

"A studio is a complex mix of dozens of pieces of equipment. What we will try to do is provide whole operational pieces of equipment. It's essential that we do not dump stuff in Vietnam which they can't use."

New Caledonia

Opposition Party Sets Political Deadline

BK1111063491 Hong Kong AFP in English 0535 GMT 11 Nov 91

[Text] Pouebo, New Caledonia, Nov 11 (AFP)—The opposition Caledonian Union (UC) has given itself a year to become capable of leading this French territory, UC leader Francois Burck said here at the end of the party's 22nd congress.

The UC, main component of the pro-independence Kanak Socialist National Liberation Front (FLNKS), ended its two-day meeting Sunday with a resolution to revamp itself and become "a ruling party able to lead New Caledonia" in a year, he said. The 300 participants "confirmed that UC's aim remains socialist, Kanak (native Melanesian) independence," said Burck, who was re-elected party president by a large majority.

The restructuring comes in recognizing the "new realities" in New Caledonia since the 1988 Matignon accords, which provides for a referendum on self-determination in 1998, he said. Social development dominated the conference, prompting debate on what kind of economic system the independence movement wants. "We must define our responsibility in setting up a market economy, consider what infrastructure will allow us not to depend on subsidies, but set up businesses that will create wealth," Burck said.

New Zealand

New Zealand Journalist Said Shot in Indonesia

Premier Cites 'Conflicting' Reports

BK1411012891 Hong Kong AFP in English 0017 GMT 14 Nov 91

[Text] Wellington, Nov 14 (AFP)—Prime Minister Jim Bolger said Thursday he had received conflicting information on the fate of a New Zealander reportedly shot dead by Indonesian soldiers in East Timor. Bolger said he had spoken to New Zealand's ambassador in Jakarta, Neil Walter, who was unable to confirm that Kamal Ahmed Bamadhaj had been killed.

First Secretary of the Embassy John Mills was expected to arrive in Timor later Thursday in an attempt to find out what happened to Bamadhaj, Bolger said in a statement. Bamadhaj is reported to have died after being shot at least three times during a massacre of up to 100 people taking part in a procession to mourn the death on October 28 of an East Timorese man.

Confirms Journalist Killed

BK1411113891 Hong Kong AFP in English 1130 GMT 145 Nov 91

[Text] Wellington, Nov 14 (AFP)—Prime Minister Jim Bolger said Thursday that he had received confirmation that a 21-year-old New Zealand man was among those shot dead by Indonesian soldiers at a demonstration in East Timor. Bolger said in a statement that the New Zealand Embassy in Jakarta had "finally received official confirmation from the Indonesian authorities that Kamal Ahmed Bamadhaj was shot and killed in a clash between crowds and police in East Timor."

Bamadhaj's father is believed to be in China while his mother, Helen Todd, is on her way to Indonesia from London after having been told of her son's death. On her arrival in Jakarta she is expected to head to the East Timorese capital of Dili to make arrangements for her son's body. Bolger said second secretary John Mills had already gone to Dili to establish what led to Bamadhaj's death.

The shootings at Dili occurred Tuesday when Indonesian troops fired on a large gathering at the town's cemetery to commemorate the death of a young man who died two weeks earlier. Bolger said he hoped a full inquiry into the incident, which had been promised by Indonesian armed forces, would determine who was responsible "and that those responsible for any human rights abuse involved in it will be quickly brought to justice."

Vanuatu

Lini Intends To Regain Power With New Party

BK0811021691 Hong Kong AFP in English 0146 GMT 8 Nov 91

[Text] Port-Vila, 8 Nov (AFP)—Vanuatu's dumped prime minister, Walter Lini, has signalled his intention to try to win back power in Vanuatu by fielding through his newly formed party the largest number of candidates for the upcoming election.

The country's electoral commission said Friday that of the 142 officially registered candidates, 32 represented Lini's National United Party (NUP), including most of the 19 MP's who switched from the majority Vanua'aku Party (VP).

The December 2 election is the third since the former condominium of New Hebrides gained its independence from Britain and France in 1980.

As leader of the VP, Lini easily won the last two elections, in 1983 and 1987, and held power until being ousted in a revolt by most of his party colleagues and led by new Prime Minister Donald Kalpokas in September.

Kalpokas heads the 21-strong VP caucus which until the election was called was in unofficial alliance with the six-member Tan Union against 19 NUP members.

Electoral Commission spokesman Marcel Sam said the number of candidates registered to contest the election is a record, including 28 VP candidates and 12 from the Tan Union. The others represent minor parties and independents.

The campaign started Thursday with an announcement by the director of media services Bob Makin concerning the conditions under which Radio Vanuatu is allocating air time to the candidates between 16 and 30 November, when the broadcast campaign officially closes.